500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 29, 1996

Certified Mail-Return Receipt Requested P 268 434 009

Nearburg Exploration Company 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705

Attention: Mr. Bob Shelton

Re:

East Scoggin Draw Prospect MOC Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Dear Mr. Shelton:

Mewbourne Oil Company (Mewbourne) would like to thank Nearburg Exploration Company (Nearburg) for the opportunity to review its data associated with the captioned well on May 13, 1996.

After careful consideration, we have decided to proceed with our original location as proposed (1650' FNL and 990' FWL of Section 4-18S-28E).

As discussed, in an effort to avoid the necessity of having to pool this unit before the New Mexico Oil Conservation Division, Mewbourne respectfully requests that Nearburg either participate to the full extent of its interest in this well or commit its interest to Mewbourne under mutually agreeable terms.

Should you have any questions, please do not hesitate to call.

Sincerely,

**MEWBOURNE OIL COMPANY** 

She	(SM-
Thir	SIV

Steve Cobb District Landman

SC/gb

Examiner

Case No. \_\_\_

EXHIBIT NO.

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

April 22, 1996

Certified Mail-Return Receipt Requested P 268 433 996

Nearburg Exploration Company 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705

Attention: Mr. Bob Shelton

Re: East Scoggin Draw MOC Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Pursuant to our telephone conversation of April 18, 1996, Mewbourne Oil Company respectfully requests a meeting with Nearburg Exploration Company the purpose of which is to discuss our proposed locations in the captioned lands.

As discussed, we will be filing Compulsory Pooling and Unorthodox Well Location applications this week covering the captioned for a hearing to be heard before the NMOCD on May 16, 1996.

Should you have any questions, please do not hesitate to call.

Sincerely,

Strive OM

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170 April 17, 1996

Certified Mail-Return Receipt Requested P 268 433 995

Nearburg Exploration Company 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705

Attn: Bob Shelton

Re:

East Scoggin Draw Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on April 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

It has become evident through our communications with the interest owners in the proposed protation unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

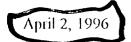
Sincerely,

Ame on

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170



Certified Mail-Return Receipt Requested P 268 433 982

Nearburg Exploration Company, L.L.C. 3300 North "A" Street Building 2, Suite 120 Midland, Texas 79705

Attn: Mr. Bob Shelton

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' FNL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:

- (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.
- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

Stur GA

Steve Cobb District Landman

#### MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

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Prospect: Morrow Test Field: Scoggin Draw Morrow Well Name and No: Scoggin Draw "4" State #1 Location: 1850' FNL & 990' FWL Section: 4 Block: Township: 189 Flange: 28E County: Eddy State: New Mexico Proposed Depth: 10,500' Cost To Completion DESCRIPTION Casing Point Cost AFE NO. AFE NO. INTANGIBLE COST 180 000 Pomilts and Suiveys 500 301 Location, Hoads and Surveys 18000 302 Footage or Tumkey Dilling 189000 505 Day Work 14000 304 Fuel, Water and Other 16000 305 Completion/Workever Flig ō 308 Mud and Chemicals 18000 307 Cementing 20300 36800 308 Logging and Wireline 18000 000 Casing-Tubing Services 2100 Mud Logging 310 4000 311 Tusting 4300 312 Treating ō 50000 Coiling 513 Ō Transportation  $\bar{9}\bar{2}\bar{0}$ 1800 321 Welding and Construction Labor 2000 322 Contract Supervision Õ 330 Equipment Rental 8000 334 Woll/Loaso Lugal/Tax 28(10) 335 Well/Lease Insurance 0000 350 Intangible Supplies 250 **300** Pipeline FOW and Easements Ũ Pipeline Interconnect 387 ð 076 Company Supervision 20000 Ovurhead Fixed Flate 380 5000 39**9** Contingencies 7053 Total Intangibles \$359,703 8148,115 TANGIBLE COST 181 Conductor Casing 0 Surface Casing 13 3/8 @ 400 +1-6400 9 5/8' ( 2000 +/-Intermediate Casing 28000 5 1/2 @ 10,500' Production Casing Ũ Production Casing Õ Tublng õ 2 7/8' @ 10,500 Dilling Head 3700 ŪŪŪ 885 Tubing Head Ö Upper Section 870 õ Slicker Rods ö 876 ō BBÖ Packer, Pump & Other Subsuitace Pumping Unit & Pilme Mover | Electricity 885 Õ Tanks (Steel & Fiberglass) ō 800-Separation Equipment (flied, Non-flied) Ō 894-5 Metering Equipment 090 Ü Lino Pipo Ø DÖÖ õ 905 Valves Miscellaneous Fillings & Accessories Õ 900 Production Equipment Installation õ **910** Õ Pipeline Construction 820

Date Prepared: Feb. 2, 1990 Prepared By: Bill Pleice

Total Tanulbles SUBTOTAL TOTAL WELL COST

Company Approval: Date Approved: Joint Owner Approval:

Joint Owner Interest: Joint Owner Amount

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

April 17, 1996

Certified Mail-Return Receipt Requested P 268 433 992

Mr. Robert H. Marshall P.O. Box 1422 Midland, Texas 79702

> Re: East Scoggin Draw Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on April 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

Grive M

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

April 2, 1996

Certified Mail-Return Receipt Requested P 268 433 987

Robert H. Marshall P.O. Box 1422 Midland, Texas 79702

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well Section 4-18S-28E Eddy County, New Mexico

Dear Mr. Marshall:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' FNL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:

- (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.
- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

Struce M

Steve Cobb District Landman

### MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Prospoct: Morrow TestFleld: Scogglin Draw MorrowWell Name and No: Scogglin Draw "4" State #1Location: 1850' FNL & 990' FWLBoction: 4BloctcTownship: 189County: EddyState: New MexicoProposed Depth: 10,500'

County:	Eddy S	Inte: New Mexico	Proposed Depth:	10,500'
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and Gw	nar Interest			

Joint Owner Interest: Joint Owner Amount:

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500 W, TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

> > June 15, 1993

Robert H. Marshall P. O.Box 590 Midland, Texas 79702

> Re: East Scoggins Draw Prospect <u>T18S, R28E</u> Section 4: Lot 4 (NW/4NW/4) below 6467' Eddy County, New Mexico

Dear Mr. Marshall:

Mewbourne Oil Company (Mewbourne) desires to consolidate its interest in those areas in which it conducts operations.

Records available to us indicate you own approximately 2.5 net acres under the captioned lands with a 76.563 % net revenue interest.

Mewbourne hereby offers you \$125.00 per acre for all of your right, title and interest in the captioned land and depths subject to the following general terms:

- 1. Robert H. Marshall (Marshall) agrees to deliver a 6.25% working interest and a 4.7855156% net revenue interest to Mewbourne.
- 2. Marshall agrees to furnish to Mewbourne free of any cost whatsoever, copies of all records and files in his possession covering the captioned lands.
- 3. This offer is contingent upon Mewbourne's approval of title and form of Assignment.
- 4. The effective date of this sale will be June 1, 1993.

Should the above terms meet with your approval, please so signify by signing in the space provided and return an executed copy of this letter to the undersigned within thirty days from receipt. Robert H. Marshall June 15, 1993 Page 2

Failure to respond within thirty days shall render this offer voidable at Mewbourne's sole discretion.

Sincerely, ne/øil company Mewbox 0

Paul Haden Landman

PH/kls

AGREED to and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 1993.

Вү:\_\_\_\_

### **Mewbourne Oil Company**

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

April 17, 1996

Certified Mail-Return Receipt Requested P 268 433 989

Mr. Earl R. Bruno, Jr. P.O. Box 590 Midland, Texas 79702

> Re: East Scoggin Draw Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on April 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

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Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

Strue M

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

April 2, 1996

Certified Mail-Return Receipt Requested P 268 433 986

Earl R. Bruno, Jr. P.O. Box 590 Midland, Texas 79702

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well Section 4-18S-28E Eddy County, New Mexico

Dear Mr. Bruno:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

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2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your carliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

Shur GM

Steve Cobb District Landman

#### MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

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		Draw #4* State #1 Lo	eld: Scoygln Draw Morra ication: 1850' FNL & 890' i iwnship: 189 Proposed Depth:	FWL Flange: 28E
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	=	INTANGIBLE COST 180		
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94-5	Separation Equipm	ant (fired, Non-flied)	0	050
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Date Prepared: Feb. 2, 1990 SUBTOTAL		\$397,803	\$311,21	
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Johnt Owner Interest: Joint Owner Amount:

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Earl R. Bruno

JUL 1 1 1993

July 9, 1993

Mewbourne Oil Company 500 W. Texas, Suite 1020 Midland, Texas 79701

Attention: Paul Haden

Re: East Scoggins Draw Prospect T18S, R28E Section 4: Lot 4 (NW/4 NW/4) below 6467' Eddy County, New Mexico

RE! 2.5 NET ACRES; 6.25 % WE; 4.7855156 % NREF.

Dear Mr. Haden:

Earl R. Bruno, Jr. is in receipt of your letter dated June 15, 1993, offering to purchase his interest in the captioned property. Please be advised that Earl R. Bruno, Jr. is not interested in selling his interest at this time.

Sincerely,

EARL R. BRUNO, JR.

L. Rent Burkhart, CPL Consulting Landman

500 W, TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

> > June 15, 1993

Earl R. Bruno, Jr. P. O.Box 590 Midland, Texas 79702

> Re: East Scoggins Draw Prospect T18S, R28E Section 4: Lot 4 (NW/4NW/4) below 6467' Eddy County, New Mexico

Dear Mr. Bruno:

Mewbourne Oil Company (Mewbourne) desires to consolidate its interest in those areas in which it conducts operations.

Records available to us indicate you own approximately 2.5 net acres under the captioned land with a 76.563 % net revenue interest.

Mewbourne hereby offers you \$125.00 per acre for all of your right, title and interest in the captioned land and depths subject to the following general terms:

- 1. Earl R. Bruno, Jr. (Bruno) agrees to deliver a 6.25% working interest and a 4.7855156% net revenue interest to Mewbourne.
- 2. Bruno agrees to furnish to Mewbourne free of any cost whatsoever, copies of all records and files in his possession covering the captioned lands.
- 3. This offer is contingent upon Mewbourne's approval of title and form of Assignment.
- 4. The effective date of this sale will be June 1, 1993.

Should the above terms meet with your approval, please so signify by signing in the space provided and return an executed copy of this letter to the undersigned within thirty days from receipt. Earl R. Bruno, Jr. June 15, 1993 Page 2

Failure to respond within thirty days shall render this offer voidable at Mewbourne's sole discretion.

Sincerely, Mewboyrne /011 Gompany acle Paul Haden

Landman

PH/kls

AGREED to and accepted this day of \_\_\_\_\_, 1993.

Ву:

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

> > May 31, 1996

Amoco Production Company P.O. Box 4891 Midland, Texas 77210-4891

Attn: Mr. Jerry West

Re: East Scoggin Draw MOC Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Dear Mr. West:

Enclosed for your review and execution should you desire to participate in the captioned well are two originals of our Joint Operating Agreement dated May 30, 1996 covering same. Please return one executed original to the undersigned at your earliest convenience.

Should you have any questions, please do not hesitate to call.

Sincerely,

#### MEWBOURNE OIL COMPANY

Stuer M-

Steve Cobb District Landman

SC/gb

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 28, 1996

Amoco Production Company P.O. Box 4891 Houston, Texas 77210-4891

Attn: Mr. Jerry West

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company would like to express its sincere appreciation to Amoco Production Company for the opportunity to review its data associated with the captioned well.

After careful consideration, we have decided to proceed with our original location as proposed (1650' FNL and 990' FWL).

As discussed, our Joint Operating Agreement will be forwarded under separate cover for your review and execution.

Should you have any questions, please do not hesitate to call.

Sincerely,

### MEWBOURNE OIL COMPANY

Aprile (M-

Steve Cobb District Landman

SC/gb

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 21, 1996

Certified Mail-Return Receipt Requested P 268 434 007

Amoco Production Company P.O. Box 4891 Houston, Texas 77210-4891

Attn: Mr. Jerry West

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on May 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

Show ON

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 7, 1996

Certified Mail-Return Receipt Requested P 268 433 000

Mr. Bill Carr P.O. Box 2208 Santa Fe, New Mexico 87504-2208

> Re: East Scoggin Draw Prospect N/2 of Section 4-18S-28E Eddy County, New Mexico

Dear Bill,

Please add the following parties to our list of respondents for our Pooling Application covering the captioned :

- Arco Permian
   P.O. Box 1610
   Midland, Texas 79702
   Attention: Mr. Lee Scarborough
- (2) Amoco Production Company P.O. Box 4894 Houston, Texas 77210-4891 Attention: Mr. Jerry West

Please make sure they get notice of our hearing.

Should you have any questions, please do not hesitate to call.

Sincerely,

Shwi GM

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 2, 1996

Certified Mail-Return Receipt Requested P 268 433 998

Amoco Production Company P.O. Box 4891 Houston, Texas 77210-4891

Attn: Mr. Jerry West Fax #(713) 366-7590)

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' FNL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

- 1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:
  - (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.

- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

### MEWBOURNE OIL COMPANY

Struz UN

Steve Cobb District Landman

SC gb

### MEWBOUFINE OIL COMPANY AUTHOLIZATION FOR EXPENDITURE

Prospect: Monow Test Well Name and No: Scoggin Draw \*4\* State # t Soction: 4 Block: County: Eddy State: New Mexico

Fluid: Scoggin Draw Morrow Location: 1650' FNL & 990' FWL

Township: 189 Flange: 28E Proposed Depth: 10,500'

	Cardy Sunth, How Micklud	Linhag nagodori	10,000
		Cost To	Completion
	DEBCHIPHON	Casing Point	Cost
		AFE NO.	AFE NO,
900	INTANGIBLE COST 180		
300 301	Ponelts and Surveys	500	800
302	Location, florids and Surveys	00001	1000
	Poolage or Turnkey Dilling	109000	Ũ
000 004	Day Work	14000	Ū
301 305	Fuel, Water and Other Completion/Workdver Flig	18000	500
303	Mud and Chemicals	0	10000
907 907	Comenting	18000	0
308		20300	96800
	Cushing Jubing Bervices	18000	8000
310	Mud Lagging	2100	70(X)
ðii —	Testing	4800	0
312	Treating	na ka na	
515			and the second s
020	Innsportation		
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322	Contract Supervision	2000	400
330	Equipment Clental		0000
<u>ā</u> 34	Woll/Loaso Luyal/Tax	28()	0000
000	Wull/Lease Insurance		
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300	Pipeline FOW and Engements	0	3000
307			0000
976	Company Supervision	20XXXV	10000
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399	Contingencies	7053	2865
0.98		and a second	
	Total Intanyibles	\$359,703	8148,115
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	Production Casing 0 172 (g 10,500		
	Tubing 2 7/8' @ 10,500'	õ	20900
800	Lilling Head	3700	ö
885	Tubing Hend	Ü	2500
070	Upper Section		4000
876	Biickiir Rode		δ
100	Puckur, Pump & Ollier Subsuitace	ō	7000
000	Pumping Unit & Prime Mover   Electricity	Ü	Ö
800-1	Tanks (Ston) & Fiberglass)	ō	6000
894-8	Separation Equipment (Ined, Non-Ined)	Ő	8600
998	Metering Equipment	Ü	4200
100		<u>0</u>	9000
905	Velves	Ō	2000
000	Miscellaneous Flithigs & Accessories	Ũ	BODO
Ü IÖ	Production Equipment Installation	0	1000
820	Pipeline Construction	Ü	20000
	Total Tangibles	\$38,100	8185,100
n		\$397,803	\$311,215
17818 1,18	pared: Feb. 2, 1996 SUBFOTAL	\$71KL(11R	

Date Prepared: Feb. 2, 1996 Prepared By: BM Pleice

1999 SUBFOTAL TOTAL WELL COST Lang 12/2/9/6

\$704,018

Company Approval:

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

June 3, 1996

Certified Mail-Return Receipt Requested P 268 434 010

Arco Permian P.O. Box 1610 Midland, Texas 79702

> Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico SECOND REQUEST

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on May 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. Mewbourne desires to avoid the necessity of a pooling hearing scheduled for June 13, 1996, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

#### MEWBOURNE OIL COMPANY

Shur 61/

Steve Cobb District Landman

SC/gh

# Mewbourne Oil Company

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

> > May 31, 1996

Arco Permian P.O. Box 1610 Midland, Texas

Attn: Mr. Lee Scarborough

Re: East Scoggin Draw MOC Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Dear Mr. Scarborough:

Enclosed for your review and execution should you desire to participate in the captioned well are two originals of our Joint Operating Agreement dated May 30, 1996 covering same. Please return one executed original to the undersigned at your earliest convenience.

Should you have any questions, please do not hesitate to call.

Sincerely,

#### MEWBOURNE OIL COMPANY

31.2002 UM-

Steve Cobb District Landman

SC/gb

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 21, 1996

Certified Mail-Return Receipt Requested P 268 434 008

Arco Permian P.O. Box 1610 Midland, Texas 79702

Attn: Mr. Lee Scarborough

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well N/2 of Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) previously proposed the drilling of the captioned well on May 2, 1996 and invited you to either participate in the drilling of the well, sell or farmout your interest to Mewbourne.

It has become evident through our communications with the interest owners in the proposed proration unit that we will be unable to reach a voluntary agreement with all of the parties involved. In order to drill the well in a timely manner and to honor various commitments we have made, please be advised we intend to file an application for pooling before the New Mexico Oil Conservation Division in approximately two weeks.

Mewbourne desires to avoid the necessity of a pooling hearing, therefore we will continue with our efforts to reach a voluntary agreement with all interest owners. We respectfully request that you reconsider your position and assist us in avoiding the pooling of this unit.

Should you have any questions concerning this matter, please do not hesitate to call. We would be happy to arrange a meeting between our companies to discuss this issue at your convenience.

Sincerely,

MUZ. M

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 7, 1996

Certified Mail-Return Receipt Requested P 268 433 000

Mr. Bill Carr P.O. Box 2208 Santa Fe, New Mexico 87504-2208

> Re: East Scoggin Draw Prospect N/2 of Section 4-18S-28E Eddy County, New Mexico

Dear Bill,

Please add the following parties to our list of respondents for our Pooling Application covering the captioned :

- Arco Permian
   P.O. Box 1610
   Midland, Texas 79702
   Attention: Mr. Lee Scarborough
- (2) Amoco Production Company P.O. Box 4891 Houston, Texas 77210-4891 Attention: Mr. Jerry West

Please make sure they get notice of our hearing.

Should you have any questions, please do not hesitate to call.

Sincerely,

Struz CM

Steve Cobb District Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

May 2, 1996

Certified Mail-Return Receipt Requested P 268 433 997

Arco Permian P.O. Box 1610 Midland, Texas 79702

Attn: Mr. Lee Scarborough

Re: East Scoggin Draw Prospect Scoggin Draw "4" State #1 Well Section 4-18S-28E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne) hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,500'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The N/2 of the captioned Section 4 will be dedicated as the proration unit for the well.

This well will be located approximately 1650' FNL and 990' FWL of Section 4-18S-28E, Eddy County, New Mexico. Our AFE dated February 2, 1996 is enclosed for your review. Should you desire to participate to the full extent of your interest in the drilling of this proposed well, please return an executed copy of the AFE to the undersigned at your earliest convenience.

Upon receipt of your executed AFE or by prior written request we will forward our Joint Operating Agreement for your review and execution.

In the event you do not wish to participate, Mewbourne respectfully requests you elect one of the following options as to your interest.

- 1) Farmout all of your interest in Section 4 for a period of one year to Mewbourne under the following general terms:
  - (a) If any well drilled, deepened, completed or recompleted under the terms of our farmout agreement results in oil and/or gas production on a proration unit that includes your acreage, Mewbourne will earn an assignment of 100% of your rights and interest, free of any liens or encumbrances, in the proration unit assigned to each well to a depth of 100' below the total depth drilled for each well.

- (b) Upon completion of the initial test well as a producer or dry hole, Mewbourne would have the recurring option, but not the obligation, to commence additional wells on New Mexico Oil Conservation approved proration units that include your acreage to establish oil and/or gas production under the captioned lands or land pooled therewith. If any such option is exercised by Mewbourne, Mewbourne agrees to allow not more than 180 days to elapse between the completion of one well and the commencement of operations for any next well.
- (c) You will retain an overriding royalty interest equal to the difference, if any, between 25% of all oil and gas produced and the total of all royalty interests, overriding royalty interests and other burdens or lawful claims upon production to which your leases may be currently subject, so that Mewbourne will be assigned a 75% net revenue interest in your leases(s). Such overriding royalty interest retained by you shall be subject to proportionate reduction.
- (d) Upon acceptance of our farmout proposal you agree to furnish at no cost to Mewbourne, title information such as copies of the leases covering the captioned lands, title opinions currently in your possession, title curative, letter agreements and any contracts currently in effect, etc.

Should the above general terms be acceptable to you our formal Farmout Agreement will be provided under separate cover.

2) Sell all of your right, title and interest in this Section, subject to title approval, for \$200.00 per acre to Mewbourne

As we anticipate drilling the captioned well in the Second quarter of 1996, your earliest response to this proposal would be greatly appreciated.

Should you have any questions, please do not hesitate to call.

Sincerely,

### MEWBOURNE OIL COMPANY

Smir CM-

Steve Cobb District Landman

SC/gb

#### MEWBOURINE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

Prospect: Monow Test Well Hame and No: Scoggin Draw "4" State #1 Section: 4 Block: Fleid: Scoggin Draw Monow Lucation: 1850' FNL & 990' FWL Township: 189 Flan

Soction: 4		Block:	Township:		Flange: 28E
County: E	ddy	Stato: New Mexico		Proposed Depth:	10,500'
			······································	Cost To	Completion
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301	Location, Honds and Si	SEVENV9		IĐƯỜĐ	1000
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009	Day Work			14000	5
304	Fuel, Water and Other			18000	600
305	Completion/Workever I	11(1		0	10000
308	Mud and Chemicals			18000	Ū.
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020	Transportation			1800	0010
321	Welding and Construct	on Labor		2000	400
322	Contract Supervision			0	0
330	Equipment Mental			8000	8000
331	Woll/Loaso Lugal/Tax	المتناع المتحاصيني ميرسم بيني والمراجب والمراجب والمراجع والمراجع والمراجع والمراجع والمراجع والمراجع	1. 8. 14. 1 year, 14. 11 f. 18. 11. 14. 1	2800	Ū
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		Total Intangibles		\$359,703	8140,115
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•	Conductor Casing Suitace Casing	13 3/0' @ 400' +/-		6400	
	Intermediate Casing	9 5/8' (2 2000' 1/-		28000	<u> </u>
	Production Casing	<u>6 1/2" (0 10,500</u>		0000	55000
	Production Casing	0 1/2 (0/ 10,000		ő	Ö
	Tubing	2 7/8' @ 10,500'	د	Ō	20900
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005	Pumping Unit & Pilmo I			0	0 8000
8001	Tanks (Step) & Floargla	183) 70:201 FD: 1: 0:201		<u>ö</u>	8500
894-6	Separation Equipment	(1160,11611100)			4200
000 1990	Metering Equipment Line Pipe			ŏ	9000
905	Velves			ō	2000
800	Miscellaneous Fillings	& Accussions			8000
<u>910</u>	Production Equipment				4000
820	Pipeline Construction			0	28000
000		Total Tanglbles		\$39,100	8105,100
1	and the three second			\$397,803	8311,215
-	arød: 1 øb. 2, 1996	SUBTOTAL	COL	الديسة الجار الدمانيات سأرتب سالا المعصفة ومرار	au 1,¢10
Prepared I	By: Bill Fleice	1 TOTAL WELL C	บยา	\$700,018	

Company Approval: They wants Date Approval: They wants Joint Owner Approval:

Joint Owner Interest: Joint Owner Amount:

# Memo

Per stave Collo-John Lodge advised min arco is not interacted in delling on farming out their interest. The 7-16-93

MIDLAND, TEXAS

811 W. MISSOURI

(915) 682-6301

500 W, TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

> (915) 682-3715 FAX (915) 685-4170

> > July 12, 1993

ARCO Oil and Gas Company P. O. Box 1610 Midland, Texas 79702

Attn: Mr. John Lodge

Re: East Scoggins Draw Prospect <u>T18S, R28E</u> Section 4: SE/4SE/4 below 2500' beneath the surface Eddy County, New Mexico State Lease 703

Gentlemen:

Mewbourne Oil Company (Mewbourne) desires to consolidate its interest in those areas in which it conducts operations.

Records available to us indicate you own 40 net acres under the captioned land with a 87.5% net revenue interest.

Mewbourne hereby offers you \$200.00 per acre for all of your right, title and interest in the captioned land and depths subject to the following general terms:

- 1. ARCO Oil and Gas Company (ARCO) to deliver a 100% working interest and a 87.5% net revenue interest to Mewbourne.
- 2. ARCO agrees to furnish to Mewbourne free of any cost whatsoever, copies of all records and files in its possession covering the captioned lands.
- 3. This offer is contingent upon Mewbourne's approval of title and form of Assignment.
- 4. The effective date of this sale will be July 1, 1993.

Should the above terms meet with your approval, please so signify by signing in the space provided and return an executed copy of this letter to the undersigned within thirty days from receipt. ARCO Oil and Gas Company July 12, 1993 Page 2

Failure to respond within thirty days shall render this offer voidable at Mewbourne's sole discretion.

Sincerely,

1 Company Mewbourne Oi adh au

Ø. Paul Haden, CPL Landman

PH/kls

AGREED to and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 1993.

ARCO Oil and Gas Company

By:\_\_\_\_\_

# BEFORE THE OIL CONSERVATION DIVISION NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING AND AN UNORTHODOX GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO.

CASE NO. 11533

# <u>AFFIDAVIT</u>

STATE OF NEW MEXICO ) ) ss. COUNTY OF SANTA FE )

William F. Carr, authorized representative of Mewbourne Oil Company, the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto as provided in Rule 1207.

William F. Carr

SUBSCRIBED AND SWORN to before me this 11th day of June, 1996.

19, 1999 My Commission Expires:

# EXHIBIT A

Phillips Petroleum Company 4001 Penbrook Odessa, TX 79762 Attn: James S. Welin

Marathon Oil Company Post Office Box 552 Midland, TX 79702 Attn: Randal Wilson

Tom L. Ingram Post Office Box 1757 Roswell, NM 88202-1757

Earl L. Bruno, Jr. Post Office Box 590 Midland, TX 79702

Exxon Corporation Post Office Box 1600 Midland, TX 79702 Attn: Doug Laufer

Fina Oil and Chemical Company Post Office Box 2990 Midland, TX 79702 Attn: Eric Hanson

Robert H. Marshall Post Office Box 1422 Midland, TX 79702

OXY USA, Inc. Post Office Box 40250 Midland, TX 79702 Attn: Kent Woolley

AFFIDAVIT, Page 2 Nearburg Exploration Company 3300 North "A" Street Building 2, Suite 120 Midland, TX 79705 Attn: Bob Shelton 1

Amoco Production Company Post Office Box 4891 Houston, TX 77210-4891 Attn: Mr. Jerry West

ARCO Permian Post Office Box 1610 Midland, TX 79702 Attn: Mr. Lee Scarborough

# BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Case No. <u>11533</u> Exhibit No. <u>6</u>

Submitted by: Mewbourne Oil Company

Hearing Date: June 13,1996

### & SHERIDAN, P.A.

#### LAWYERS

MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN

MICHAEL H. FELDEWERT TANNIS L. FOX TANYA M. TRUJILLO PAUL R. OWEN

JACK M CAMPBELL OF COUNSEL SUITE - HO NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

April 25, 1996

# <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Phillips Petroleum Company 4001 Penbrook Odessa, TX 79762 Attn: James S. Welin

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Welin:

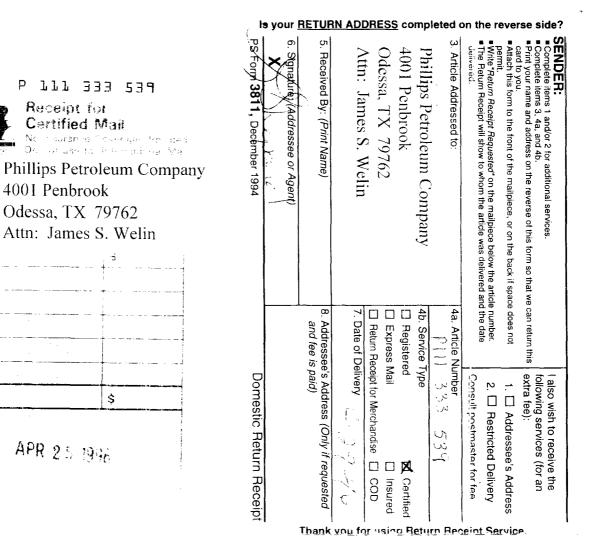
This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation. in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

Phillips Petroleum Company Attn: James S. Welin April 25, 1996 Page 2

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

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WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.



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No Dr

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PC F JPL 3800,

# & SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN

MICHAEL H. FELDEWERT TANNIS L. FOX TANYA M. TRUJILLO PAUL R OWEN JACK M. CAMPBELL

ACK M. CAMPBELL OF COUNSEL SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 983-6043

April 25, 1996

# CERTIFIED MAIL RETURN RECEIPT REQUESTED

Marathon Oil Company Post Office Box 552 Midland, TX 79702 Attn: Randal Wilson

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Wilson:

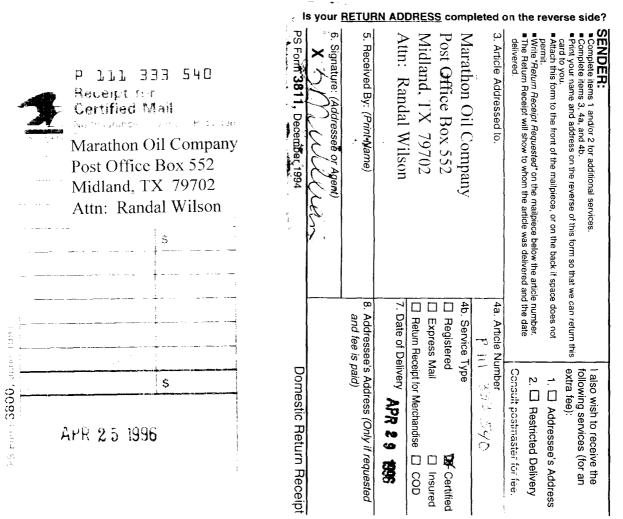
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Marathon Oil Company Attn: Randal Wilson April 25, 1996 Page 2

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Willing & Sal

WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.



Thank you for using Return Receipt Service.

### & SHERIDAN, P.A.

LAWYERS

MICHAEL B CAMPBELL WILLIAM F CARR BRADFORD C BERGE MARK F SHERIDAN

MCHAEL H. FELDEWERT TANNIS L. FOX TANYA M. TRUJILLO PAUL R. OWEN

JACK M. CAMPBELL OF COUNSEL SEFFERSON PLACE SUITE 1 - 110 NORTH GUADALUPE POST OFFICE 80X 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE. (505) 988-4421 TELECOPIER: (505) 983-6043

April 25, 1996

# <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Tom L. Ingram Post Office Box 1757 Roswell, NM 88202-1757

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Ingram:

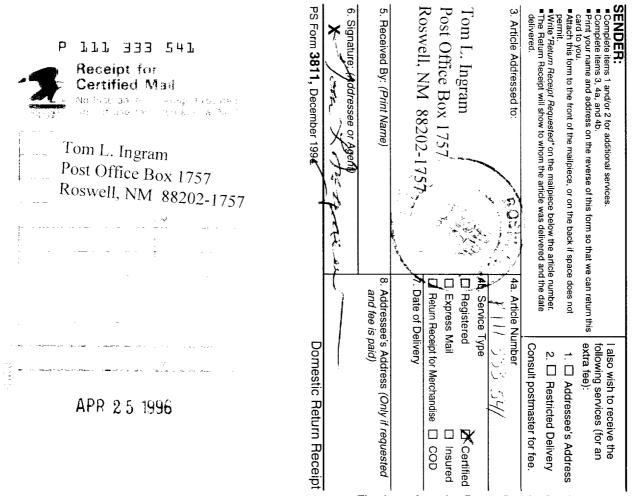
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Fom L. Ingram April 25, 1996 Page 2

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william F. Carl

WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.



Thank you for using Return Receipt Service.

Is your <u>RETURN ADDRESS</u> completed on the reverse side?

### & SHERIDAN, P.A.

#### LAWYERS

MICHAE, B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN

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JACK M. CAMPBELL OF COUNSEL SANTA FE. NEW MEXICO 87504-2208 TELEPHONE: (505) 988-6043

April 25, 1996

# CERTIFIED MAIL RETURN RECEIPT REQUESTED

Earl L. Bruno, Jr. Post Office Box 590 Midland, TX 79702

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Bruno:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow Gas Pool.

Earl L. Bruno, Jr. April 25, 1996 Page 2

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WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.

	+ Is your <u>RETURN ADDRESS</u> completed on the reverse side?										
P LLL 333 542 Receipt for Certified Mail Nonscience Love by Provided Detailing to the end of Mail Earl L. Bruno, Jr. Post Office Box 590 Midland, TX 79702	PS Form <b>3811</b> , December 1994	Signature: (Addressee or Agent)			Midland, TX 79702	Post Office Box 590	Earl L. Bruno, Jr.	3. Article Addressed to:		<ul> <li>Aftech this form to the front of the mailpiece, or on the back if space does not permit.</li> </ul>	SENDER: •Complete items 1 and/or 2 for additional services. •Complete items 3, 4a, and 4b. •Print your name and address on the reverse of this form so that we can return this card to you
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			палк	you to		sing	Heti	Irn Hed	eipt Se	rvic	<b>B.</b>

# & SHERIDAN, P.A.

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MICHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN

MICHAEL H. FELDEWERT TANNIS L. FOX TANYA M. TRUJILLO PAUL R. OWEN

JACK M. CAMPBELL OF COUNSEL JEFFERSON PLACE SUITE - I O NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOFIER: (505) 983-6043

April 25, 1996

# <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Exxon Corporation Post Office Box 1600 Midland, TX 79702 Attn: Doug Laufer

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Laufer:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation. in and under certain described spacing units in the N/2 of Section 4, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location. 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow formation, Illinois Camp-Morrow Gas Pool.

Exxon Corporation Attn: Doug Laufer April 25, 1996 Page 2

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WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.

	ls your	RETU	<u>RN AD</u>	DRES	<u>S</u> com	pleted	on the reverse side?
P 111 333 543 Receipt for Certified Mail Notest and the reserve and Mail Exxon Corporation Post Office Box 1600 Midland, TX 79702 Attn: Doug Laufer S	6. Signature: (Addressee or Agent) X / / / / / / / / / / / / / / / / / / /	Received By: (Print Na		Altn: Doug Laufer	Post Office Box 1600	3. Anticle Addressed to. EXXON Corporation	<ul> <li>SENDER:</li> <li>Complete items 1 and/or 2 for additional services.</li> <li>Complete items 3. 4a. and 4b.</li> <li>Print your name and address on the reverse of this form so that we can return this card to you.</li> <li>Attach this form to the front of the mailpiece or on the back if space does not permit.</li> <li>Write 'Receipt Requested' on the mailpiece below the article number.</li> <li>The Return Receipt will show to whom the article was delivered and five date delivered.</li> </ul>
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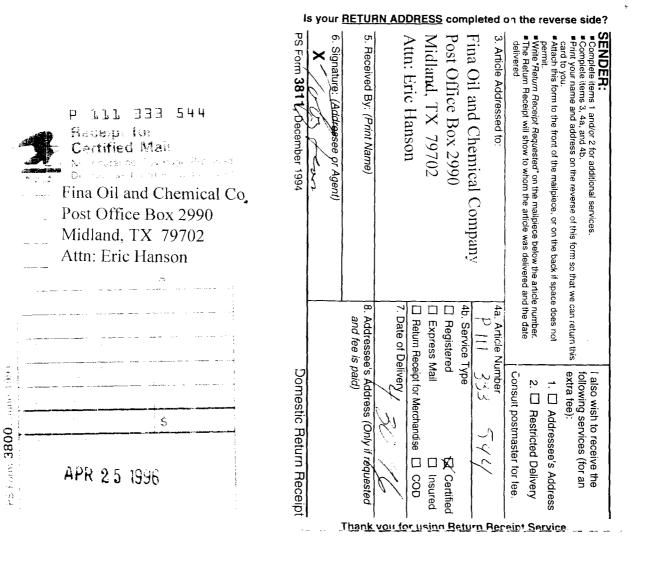
.

Fina Oil and Chemical Company Attn: Eric Hanson April 25, 1996 Page 2

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William A

WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.

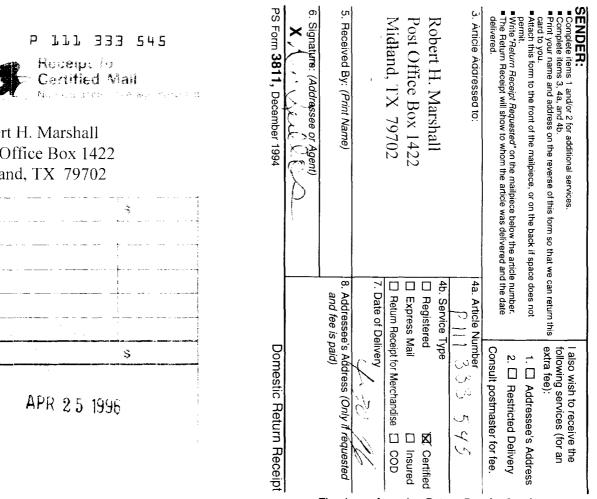


Robert H. Marshall April 25, 1996 Page 2

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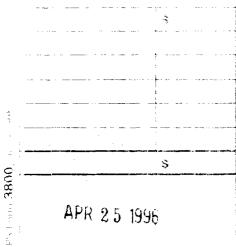
ullan,

WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.



Is your RETURN ADDRESS completed on the reverse side?

Robert H. Marshall Post Office Box 1422 Midland, TX 79702



Thank you for using Return Receipt Service.

### & SHERIDAN, P.A.

#### LAWYERS

MICHAEL B CAMPBELL WILLIAM F CARR BRADFORD C. BERGE MARK F SHER DAN

MICHAEL H FELDEWERT TANNIS L FOX TANYA M TRUJILLO PAUL R. OWEN

JACK M. CAMPBELL OF COUNSEL SEFFERSON PLACE SUITE - ---O NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE. (505) 988-4421 TELECOPIER: (505) 983-6043

April 25, 1996

# <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

OXY USA. Inc. Post Office Box 40250 Midland, TX 79702 Attn: Kent Woolley

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location, Eddy County, New Mexico

Dear Mr. Woolley:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4. Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow Gas Pool.

OXY USA, Inc. Attn: Kent Woolley April 25, 1996 Page 2

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WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.

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P LLL 333 54E Receipt for Certified Mail Not osofactor for the Paylor OXY USA, Inc. Post Office Box 40250 Midland, TX 79702 Attn: Kent Woolley	PS Form 3811, December 1994	St Signaturg: Aparty assess or Aganti X. / M. / Automatic	5. Redelved By: (Print Name)	Auti: Nefit Woolley	Midland, IX 79702	Post Office Box 40250	OXY USA, Inc.	3. Article Addressed to:	<ul> <li>Write "Return Receipt Requested" on the mailpiece below the article number.</li> <li>The Return Receipt will show to whom the article was delivered and the date delivered.</li> </ul>	Card to you. Attach this form to the front of the mailpiece, or on the back if space does not Attach	SENDER: •Complete items 1 and/or 2 for additional services. •Complete items 3, 4a, and 4b. •Print your name and address on the reverse of this form so that we can return this	
s APR 2 5 1996	Domestic Return Receipt		8. Addressee's Address (Only if requested and fee is paid)	7. Date of Delivery	Return Receipt for Merchandise     COD		4b. Service Type	4a. Article Number F  11  333 546 Beg	he article number. 2. C Restricted Delivery 8 vered and the date Consult postmaster for foc. 2	1. D Addressee's Address	l also wish to receive the following services (for an extra fee):	

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& SHERIDAN, P.A.

LAWYERS

MICHAEL B CAMPBELL WILLIAM F CARR BRADFORD C BERGE MARK F SHERIDAN \_\_\_\_\_\_ MICHAEL H FELDEWERT TANNIS L FOX TANYA M TRUJILLO PAUL R. OWEN

JACK M CAMPBELL OF COUNSEL JEFFERSON PLACE SUITE - 'IO NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE. (505) 988-4421 TELECOPIER: (505) 983-6043

April 25, 1996

# <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Nearburg Exploration Company 3300 North "A" Street Building 2. Suite 120 Midland, TX 79705 Attn: Bob Shelton

Re: Application of Mewbourne Oil Company for Compulsory Pooling and an Unorthodox Gas Well Location. Eddy County, New Mexico

Dear Mr. Shelton:

This letter is to advise you that Mewbourne Oil Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking the force pooling of certain mineral interests from the surface to the base of the Morrow formation, in and under certain described spacing units in the N/2 of Section 4. Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Mewbourne Oil Company proposes to dedicate the referenced pooled unit to a well which will be drilled at an unorthodox gas well location 1650 feet from the North line and 990 feet from the West line of Section 4, to test all formations to the base of the Morrow Gas Pool.

Nearburg Exploration Company Attn: Bob Shelton April 25, 1996 Page 2

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Truin a

WILLIAM<sup>I</sup>F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.

	Is your <u>RETURN ADDRESS</u> completed on the reverse side?					
P LLL 333 547 Receipt for Certified Mail To bound the second second Nearburg Exploration Company 3300 North "A" Street Building 2, Suite 120 Midland, TX 79705 Attn: Bob Shelton	PS Form <b>3811</b> , December 1994	SENDER: • Complete items 1 and/or 2 for additional services. • Complete items 3, 4a, and 4b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write 'Return Receipt Requested' on the mailpiece below the article number. • The Return Receipt Requested' on the mailpiece below the article number. • The Return Receipt Will show to whom the article was delivered and the date delivered. 3. Article Addressed to: Nearburg Exploration Company 3300 North "A" Street Building 2, Suite 120 Midland, TX 79705 Attn: Bob Shelton 5. Received By: (Print Name) 6. Signature: (Addressee or Agent) 8. Addressee 6. Signature: (Addressee or Agent)				
APR 25 1996	Domestic Return Receipt	arvices. e of this form so that we can return this e, or on the back if space does not article was delivered and the date article was delivered and the date article was delivered and the date (2. Addressee's Address consult postmaster for fee. (1. Addressee's Address Consult postmaster for fee. (1. Addressee's Address Consult postmaster for fee. (1. Addressee's Address (0.				

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JEFFERSON PLACE SUITE I - 110 NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

May 7, 1996

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Amoco Production Company Post Office Box 4891 Houston, TX 77210-4891 Attn: Mr. Jerry West

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Amoco Production Company Attn: Mr. Jerry West May 7, 1996 Page 2

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WILLIAM F. CARR ATTORNEY FOR MEWBOURNE OIL COMPANY WFC:mlh Enc.

#### SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we can return this card to you. Attach this form to the front of the mailpiece, or on the back if space does not PS Form **3811**, December 1994 σ 5. Received By: (Print Name) Article Addressed to: Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the date Amoco Production Company Post Office Box 4891 Attn: Mr. Jerry West Houston, TX 77210-4891 delivered. permit Signature; (Addressee or Agent) S26 167 156 9 wer Amoco Production Company Ň marti Post Office Box 4891 Houston, TX 77210-4891 Attn: Mr. Jerry West - ÷ . ÷ . 4b. Service Type ena la chaonnach 8. Addressee's Address (Only if requested □ Registered X Certified □ Express Mail □ Insured □ Return Receipt for Merchandise □ COD 7. Date of Delivery 1a. Article Number and fee is paid) Sastan In Constant Series ing a for each track of thruch s Trate Freiweiter Track Strate Freiweiter Track Factor Stowns to Whom The & Add essees (40)(85) FOTAL Sustage & Frees ••... extra fee): **Domestic Return Receipt** Consult postmaster for fee. I also wish to receive the following services (for an Addressee's Address Restricted Delivery S 1.14 - Stim ⊾K je Date ika-I Assa - s ..... 1 × 1995 1 5 6 4. 1.2° 2' 2' 2' 2' 2' 2' ( Certified - 10 C - 12 C and a second second <u>.</u> Thank you for using Return Receipt Service.

### Is your RETURN ADDRESS completed on the reverse side?

### & SHERIDAN, P.A.

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May 7, 1996

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ARCO Permian Post Office Box 1610 Midland, TX 79702 Attn: Mr. Lee Scarborough

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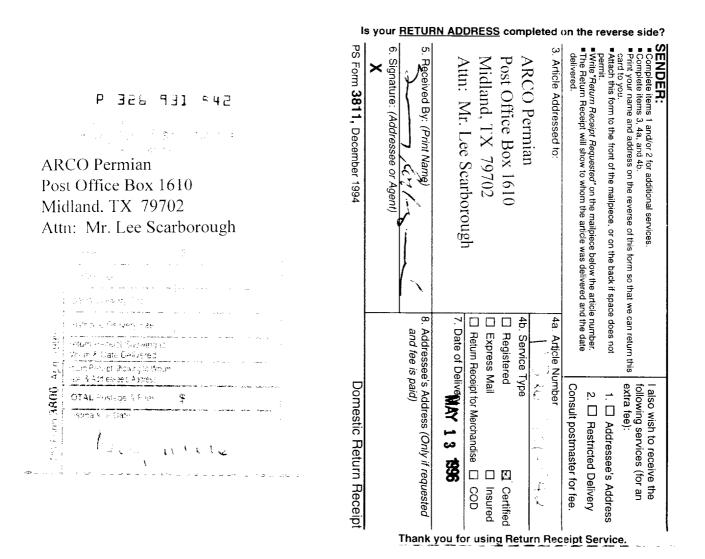
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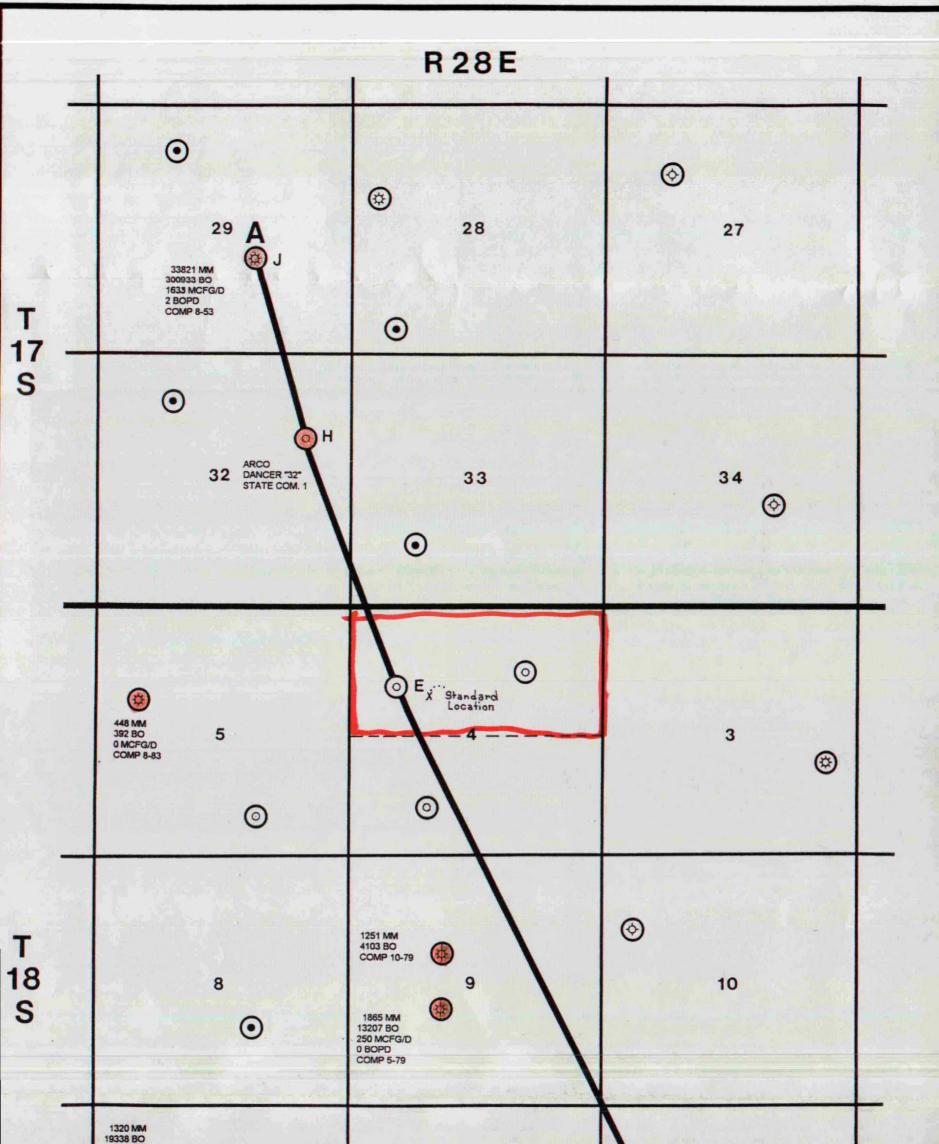
ARCO Permian Attn: Mr. Lee Scarborough May 7, 1996 Page 2

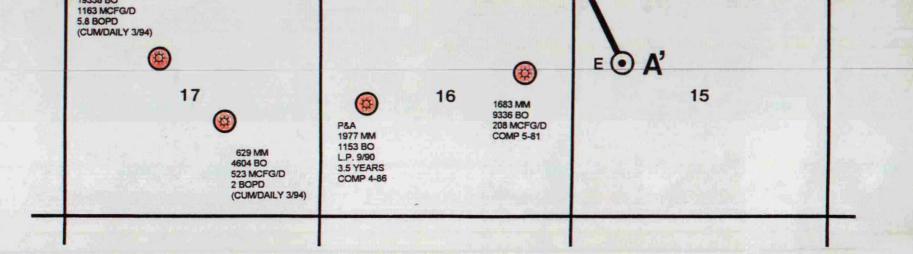
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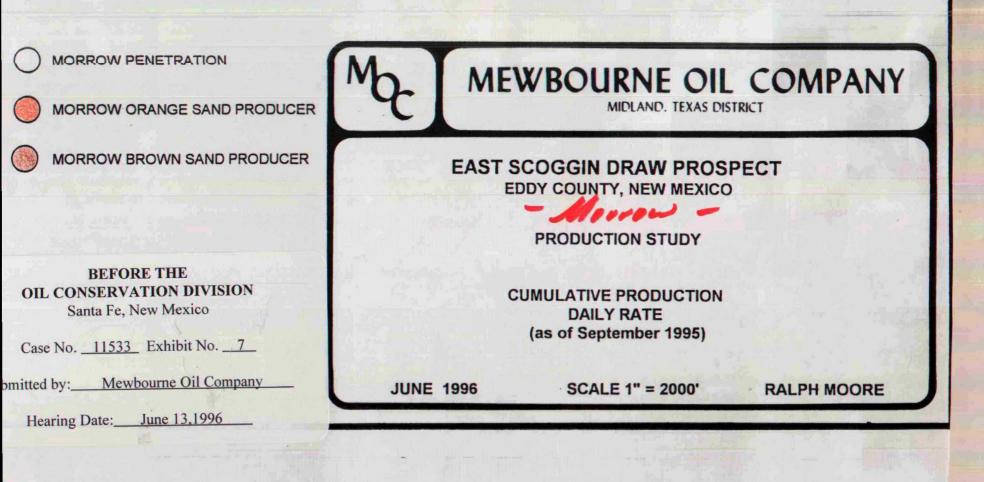
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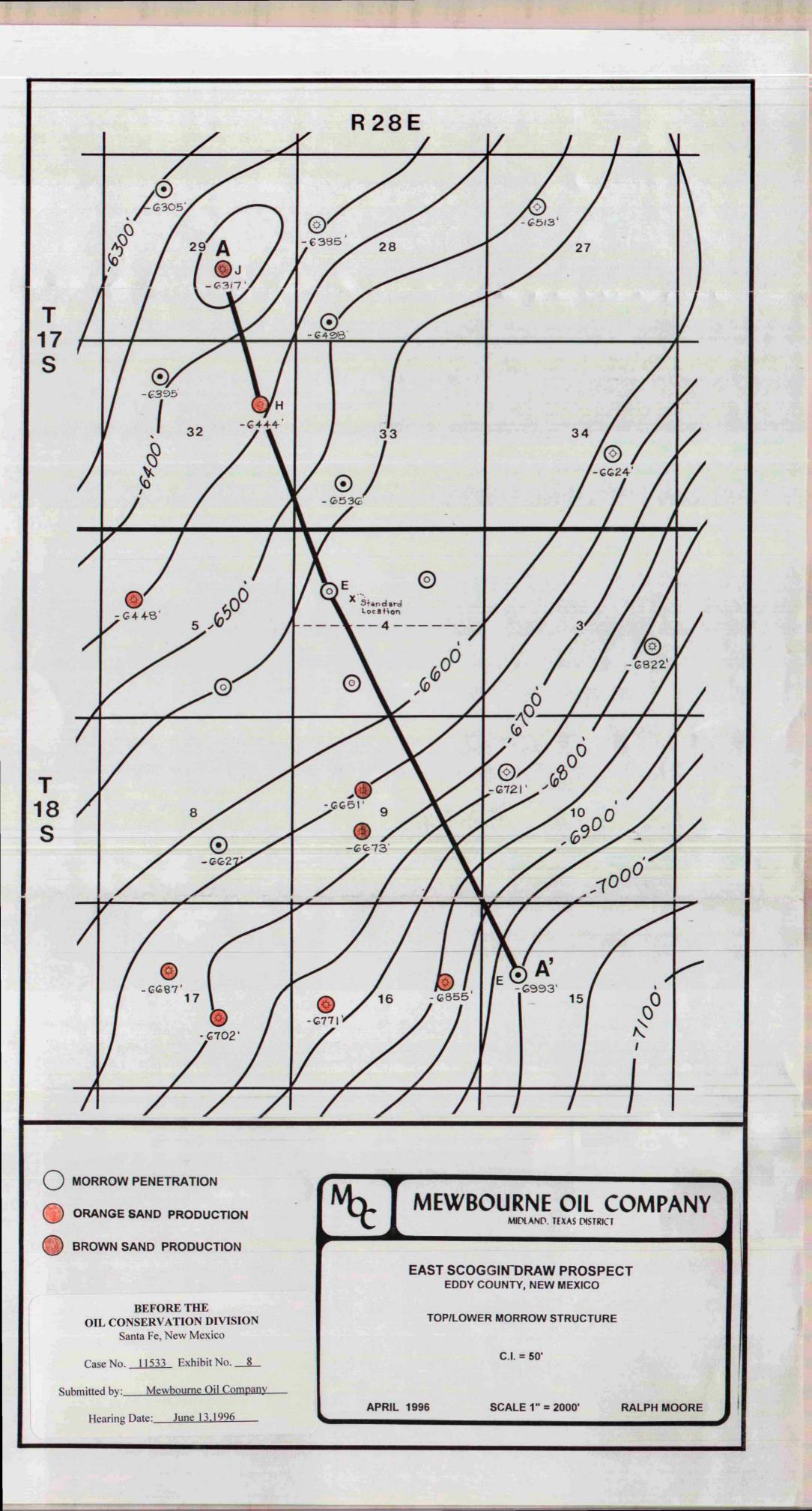
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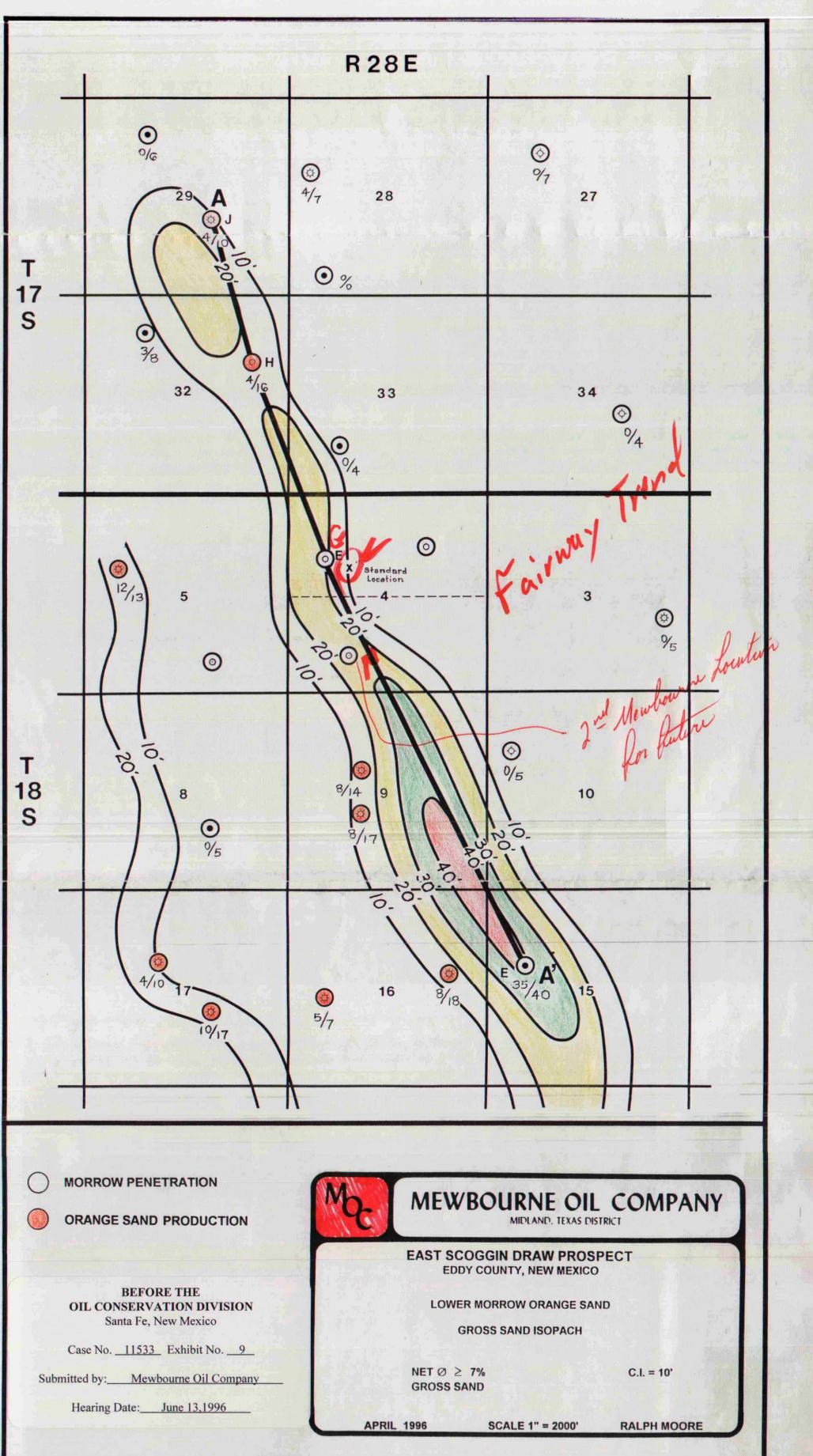


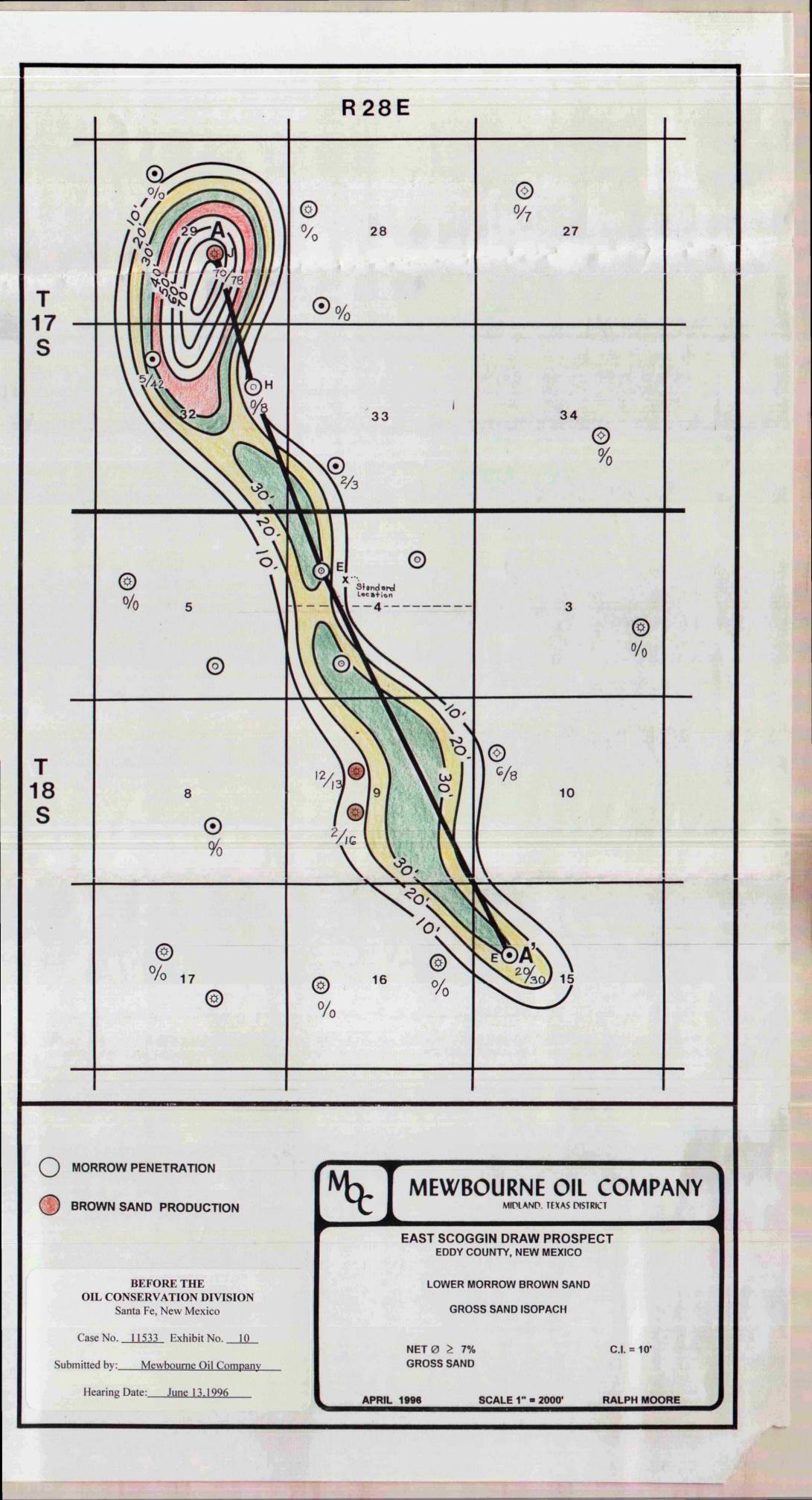












LARGE FORMAT EXHIBIT HAS BEEN REMOVED AND IS LOCATED IN THE NEXT FILE LARGE FORMAT EXHIBIT HAS BEEN REMOVED AND IS LOCATED IN THE NEXT FILE

# BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Case No. <u>11533</u> Exhibit No. <u>12</u>

Submitted by: <u>Mewbourne Oil Company</u>

Hearing Date: June 13,1996