

NEW MEXICO
OIL CONSERVATION DIVISION
MOC EXHIBIT 4
CASE NO. 11723

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
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January 20, 1997

Certified Mail-Return Receipt Requested P 268 434 087

Fasken Land and Minerals, Ltd.
303 West Wall, Suite 1900
Midland, Texas 79701

Attn: Sally Kvasnicka

Re: Catclaw Draw Prospect
Catclaw Draw "1" Federal Well No. 1
Lots 29, 30, 31, 32 and the SW/4 of
Section 1-21S-25E
Eddy County, New Mexico



Ladies and Gentlemen:

Please be advised that Mewbourne Oil Company (Mewbourne) has acquired the interest of ICA Energy, Inc. underlying the captioned.

Pursuant to the terms of that certain Joint Operating Agreement dated April 1, 1970 Mewbourne as Operator, hereby proposes the drilling of a well to a depth sufficient to adequately test the Morrow formation, anticipated total depth being 10,700'. Furthermore, Mewbourne shall evaluate to its satisfaction, all other formations encountered at lesser depths in the drilling of said well. The captioned lands will be dedicated as the proration unit for the well

This well will be located approximately 2310' FEL and 660' FSL of Section 1, 21S-25E, Eddy County, New Mexico. Our AFE dated December 26, 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 signify your election by executing and returning the enclosed AFE to the undersigned at your earliest convenience. Please respond within thirty (30) days of receipt of this proposal pursuant to the terms of the referenced Operating Agreement.

As we anticipate drilling the captioned well in the very near future, your earliest response to this proposal would be greatly appreciated.