



Texaco Exploration and Production Inc.
Western E&P Region

P. O. Box 2100
Denver CO 80201
4801 OTC Boulevard
Denver CO 80237

SENT VIA FACSIMILE TO ALL PARTIES 4/10/97

April 10, 1997

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, Texas 79701
Attn: Steve Cobb

Catchlaw Draw Area
Lots 29, 30, 31 & SW/4
of Section 1
T21S, R25E
Eddy County, New Mexico

Post-It [®] Fax Note 7671		Date 4/10	# of pages 1
To Michael Stogner		From DAVE UHL	
Co./Dept. OGD		Co. TEXACO	
Phone #		Phone #	
Fax #		Fax #	

Ladies and Gentlemen:

Thank you for your letter dated April 9, 1997, inviting Texaco to your proposed meeting on Monday April 14, 1997 at 2:00 P.M. in Mewbourne's Midland, Texas office located at 500 W. Texas Avenue, Suite 1020. Texaco's personnel will be unable to attend the meeting in person because of prior work commitments; however, we would be available at that time to teleconference. Please advise if you wish to teleconference us and I will provide you with the appropriate phone number.

Thank you again for suggesting the meeting. We look forward to working with you on this matter.

Very truly yours,

Dave Uhl

Dave Uhl
dau/ds

cc: Mr. Michael Stogner
New Mexico Oil Conservation Division

Ms. Sally M. Kvasnicka
Fasken Oil and Ranch, Ltd.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

April 9, 1997

Certified Mail-Return Receipt Requested P 268 434 131

Fasken Oil and Ranch, Ltd.
303 West Wall, Suite 1900
Midland, Texas 79701
Fax# (915-687-0669)

Attn: Sally M. Kvasnicka

Re: Catclaw Draw Prospect
Lots 29, 30, 31, 32 and the
SW/4 of Section 1-21S-25E
Eddy County, New Mexico

Ladies and Gentlemen:

In compliance with Mr. Michael Stogner's request, Mewbourne Oil Company (Mewbourne) desires to schedule a meeting with Fasken Oil and Ranch, Ltd. and Texaco Exploration and Production, Inc. the purpose of which is to further discuss, evaluate and finalize a mutually acceptable well location on the captioned lands.

Mewbourne proposes that this meeting be held Monday April 14, 1997 at 2:00 P.M. at Mewbourne's Midland, Texas office located at 500 West Texas Avenue, Suite 1020.

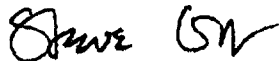
We encourage all parties to review their evaluations, long term objectives and approach this meeting in the spirit of cooperation.

In order that we may make the necessary arrangements, please advise the undersigned of those individuals who will attend and their respective positions.

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

Sincerely,

MEWBOURNE OIL COMPANY



Steve Cobb
District Landman

SC/gb

cc: Mr. Michael Stogner
New Mexico Oil Conservation Division

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

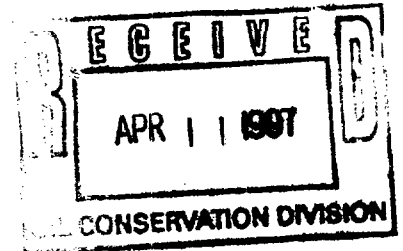
April 9, 1997

Certified Mail-Return Receipt Requested P 268 434 132

Texaco Exploration and Production, Inc.
P.O. Box 2100
Denver, Colorado 80201
Fax# (303-793-4055)

Attn: Dave Uhl

Re: Catclaw Draw Prospect
Lots 29, 30, 31, 32 and the
SW/4 of Section 1-21S-25E
Eddy County, New Mexico



Ladies and Gentlemen:

In compliance with Mr. Michael Stogner's request, Mewbourne Oil Company (Mewbourne) desires to schedule a meeting with Fasken Oil and Ranch, Ltd. and Texaco Exploration and Production, Inc. the purpose of which is to further discuss, evaluate and finalize a mutually acceptable well location on the captioned lands.

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MEWBOURNE OIL COMPANY

Steve Cobb
District Landman

SC/gb

cc: Mr. Michael Stogner
New Mexico Oil Conservation Division

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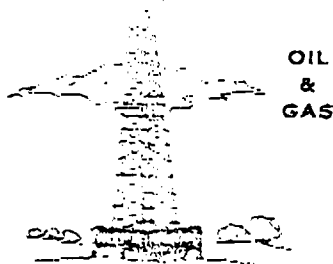
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McKay Oil Corporation

ROY L. MCKAY, PRESIDENT

MAILING ADDRESS: P.O. BOX 2014 ROSWELL, N.M. 88202 • TELEPHONE 505/622-4735

STREET ADDRESS: ONE MCKAY PLACE ROSWELL, N.M. 88201 • FAX NO. 505/624-2202



FACSIMILE TRANSMISSION

April 3, 1997

Oil Conservation Division
2040 S. Pacheco Street
Santa Fe, New Mexico 87505

REFERENCE: Fasken Oil and Ranch, Ltd.
Avalon "1" Federal Com. Well No. 1
Eddy County, New Mexico

Gentlemen:

McKay Oil Corporation and Roy L. McKay are in receipt of the required notice for the Unorthodox Gas Well Location and Non-Standard Gas Proration and Spacing Unit submitted by Fasken Oil and Ranch, Ltd. Please be advised that neither McKay Oil or Roy L. McKay object to the proposed location and therefore submit this letter in agreement with Fasken Oil and Ranch, Ltd's proposal.

Thank you for your consideration in this matter.

Very truly yours,

MCKAY OIL CORPORATION
ROY L. MCKAY

A handwritten signature in cursive script, appearing to read "Bill J. Milstead".

Bill J. Milstead
Vice President, Land and Legal