

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

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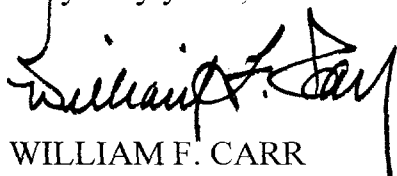
David R. Catanach, Hearing Examiner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87501

Re: *Oil Conservation Division Case No. 11842:*
Application of Mewbourne Oil Company for an Unorthodox Gas Well
Location, Lea County, New Mexico

Dear Mr. Catanach:

Pursuant to your request, enclosed for your consideration is V-F Petroleum Inc.'s proposed Order in the above-captioned case. As you will note, this Order contains two options. One denies the application of Mewbourne. The other imposes a production penalty on a well at the proposed unorthodox location. If you need anything further from V-F Petroleum Inc., to proceed with your consideration of this matter, please advise.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR V-F PETROLEUM INC.
WFC:mlh

Enclosure

cc: Jerry Gahr (w/enclosure)
Jim Bruce, Esq. (w/enclosure)