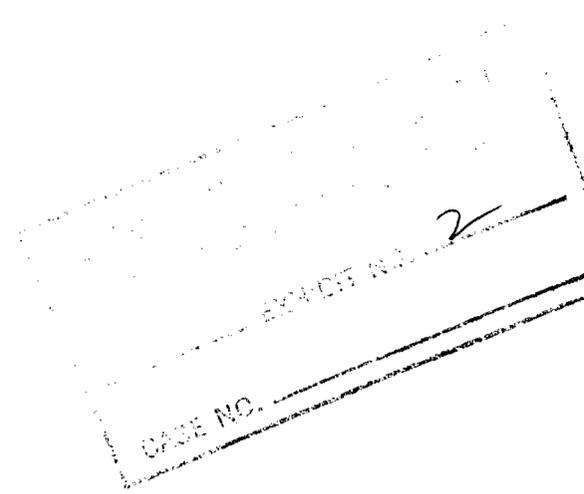


MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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



March 16, 1999

HOLLY PETROLEUM, INC.
100 Crescent Court, Suite 1600
Dallas, Texas 75201-6927

Attn: Mr. George Walbert

Re: Permission to Inject Wastewater;
Chucka Federal No. 2 Well
SW/4NW/4 of Section 12,
T18S, R27E
Eddy County, New Mexico

Gentlemen:

Reference is made to your letter dated March 10, 1999 wherein Holly or its designee proposed to dispose of wastewater in the captioned well as described therein. Regarding same, Mewbourne Oil Company as Operator of the N/2 of the captioned Section 12 insofar as the rights from the base of the Abo formation to 100 feet below the base of the Morrow formation is concerned has no objection for Holly or its designee to dispose of wastewater in the interval and well described in the referenced March 10, 1999 letter.

Should you require anything further regarding the above, please call.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden
Senior Landman

DPH/gb