

OIL CONSERVATION DIVISION
RECEIVED

'92 MAR 26 AM 8 48

MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

March 23, 1992

MS.

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: William J. LeMay
Director

*Case 10427
Stogner*

RE: Order No. R-9631
W/2 of Section 6,
T18S, R28E
Eddy County, New Mexico

Gentlemen:

Pursuant to the provisions of Decretory Paragraph (14) of the captioned Order issued by the Division on January 24, 1992, this letter is to advise you the following parties have voluntarily committed their interests to the drilling and completion of Mewbourne's Morrow test well under the captioned land:

- 1) Southland Royalty Company
- 2) Enron Oil & Gas Company
- 3) Fina Oil & Chemical Company
- 4) Lincoln Aston
- 5) Rogers Aston and Interfirst Bank Dallas, Co-Trustees of the "C" Trusts u/w/o Bert Aston, Deceased
- 6) Carl F. Hatch
- 7) Jeannie H. Collins
- 8) Frank Hatch
- 9) Phillips Petroleum Company
- 10) Sun Operating Limited Partnership
- 11) Ultramar Production Company
- 12) Atlantic Richfield Company
- 13) Denver Delton Marcum
- 14) Marla Jo Schmid
- 15) A. H. Heddon
- 16) Madelon Heddon

As the above owners have voluntarily pooled their interests for Mewbourne's test well, the compulsory pooling provisions provided for in the referenced Order no longer apply to them.

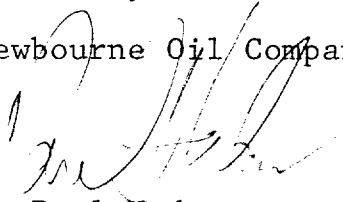
Regarding the uncommitted owners who are still subject to the forced pooling provisions, the following is a listing of such owners:

- 1) The Regents of the University of New Mexico, Carl A. Hatch
Professorship of Law and Public Administration Fund
- 2) The Estate of Ruth Hatch, her heirs and devisees
- 3) Victoria Hatch Pereira
- 4) Estate of Louis F. Polk, Deceased
- 5) Dorothy Claudene Marcum
- 6) Judith Ann Moats
- 7) Arthur L. Owen

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

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

DPH/nb
CC: Gary L. Winter
Ken Waits

OIL CONSERVATION DIVISION
RECEIVED
'91 DE 30 AM 10 00

MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

December 13, 1991

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox
Location Drilling Permit
Chalk Bluff "6" State #1 Well
W/2 of Section 6, T18S, R28E
Eddy County, New Mexico

215
Case 10427

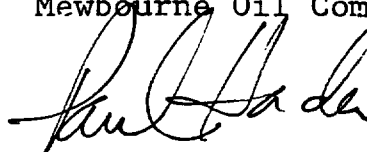
Gentlemen:

Chevron USA, Inc., as a offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL and 730' FWL of Section 6, T18S, R28E, Eddy County, New Mexico.

This letter is to advise that Chevron USA, Inc. has no objection to the granting of a permit at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

CHEVRON USA, INC.

BY: Alan W. Behlring - Proration Engr.

Date Signed: December 27, 91

Al; For for evaluation
JMS



MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

December 13, 1991

RECEIVED

DEC 17 1991

PERMIAN BASIN LAND UNIT
MIDLAND, TX

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Chevron USA, Inc.
P. O. Box 1150
Midland, Texas 79702

Attention: Mr. James E. Baca

RE: Application for Unorthodox
Location Drilling Permit
N Illinois Camp Morrow (Gas)
Chalk Bluff "6" State #1 Well
W/2 of Section 6, T18S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 730 feet from the West line of the above described Section 6 to test all formations from the base of the Abo formation through the Morrow formation. The proposed test well will be drilled to approximately 10,350 feet beneath the surface to test the North Illinois Camp (Gas) Pool with the W/2 of the captioned Section 6 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

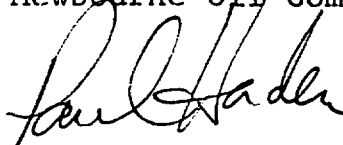
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to the other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

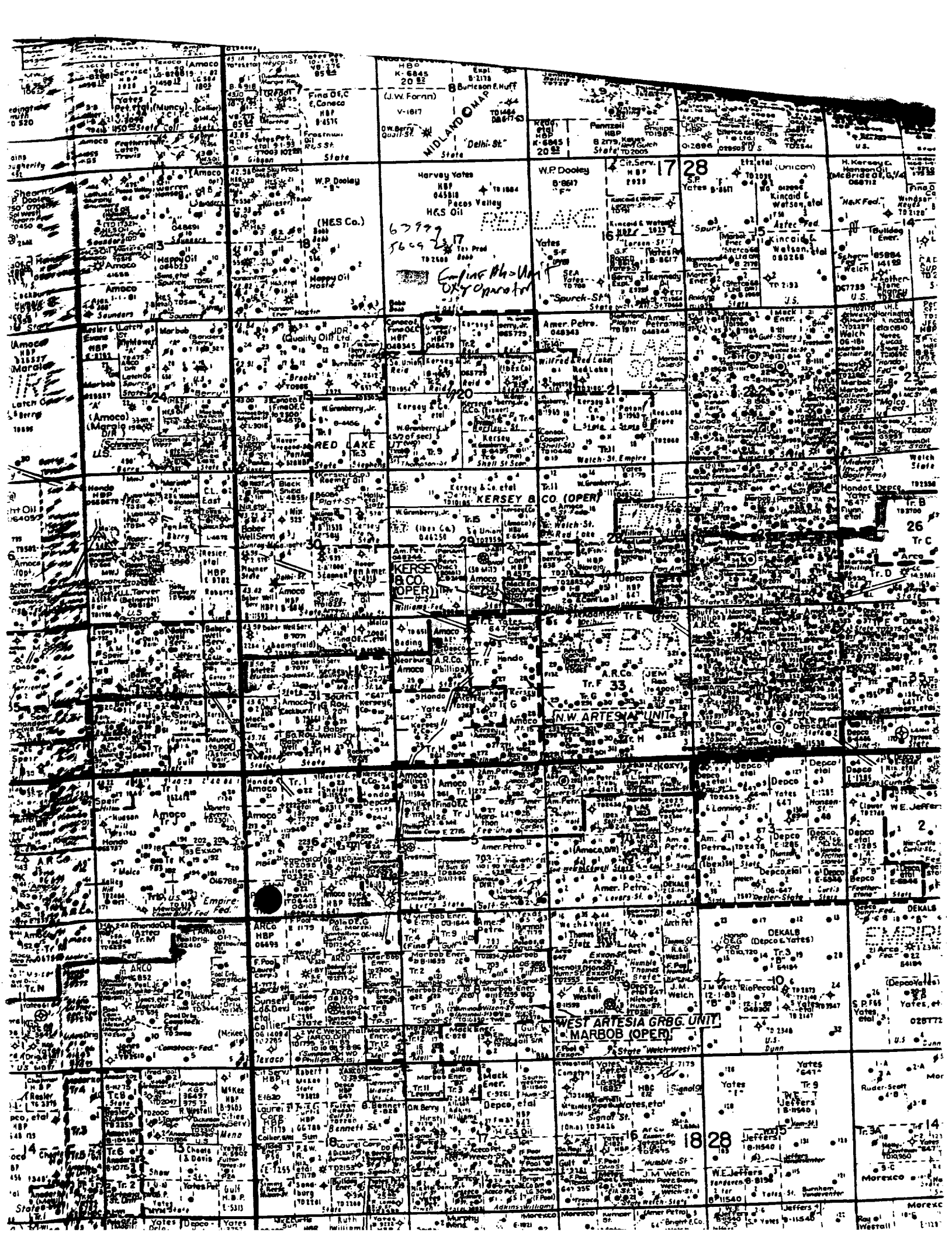
Sincerely,

Mewbourne Oil Company

A handwritten signature in dark ink, appearing to read "D. Paul Haden". The signature is written in a cursive style with a large, looping initial "D".

D. Paul Haden
Landman

DPH/nb
enclosure



CORRECTION

EDDY STATE "BO"

01-21-81

5-6417

0-63999-00

LEASE DIGEST REPORT
CHANGE TYPE

LINE NOS

78. MO. (obligation month):

Month lease
must be car-
ried in rental
records.OR. MO. - SUB
0-BASE DIGEST SHEET
1-SUP. D. SHEETS
9-NON-INVENTORY

NUMBER IN

() IS DIGITS REQUIRED

Line Nos.

1. Statistical
2. Statistical
3. Statistical
4. Co-owner
5. Obligation, etc.
6. Delete CK Date
7. Rental Check
8. Rental Check
9. Rental Check

Change Type

0. New Line
1. Delete Line
2. Add New Line
3. Change or Replace Line

State - 1st Digit:

0. Onshore
1. State Offshore
2. Federal Offshore

2nd-3rd Digit:

- IBM Code
Area-Expt. Code
County - IBM Code
SCOGS
Status - 1st Digit:
1. Non-producing
 2. Held by Prod.
 3. Producing
 4. Sec. Rec-Gas
 5. Sec. Rec-Water
 6. Option to Acquire
 9. All others

Coverage - 2nd-3rd
Alpha - See Manual
Gulf Owns - 4th Digit:

0. Jt. Op. Area
1. Working Interest
2. Working Interest and Other Interest
3. Fee Title
4. Royalty Owned
5. Net Profit
6. Prod. Payment
7. Carried Int.
8. Overriding Roy.
9. All Others

Source - 5th Digit:

1. Private Fee Owner
2. Fed'l. Public
3. Fed'l. Acq'd.
4. State
5. Departmental
6. University
7. Min'l. Classified

Desc. Code - indicates number
of sections involved in the
lease, up to 8.
9 indicates more than 8.

Form:

1. Commences Operate
 2. Complete
 3. Producing
 4. Drilling
 5. Producing Drilling
 6. Continuous Drilling
- B. C. (Bill Code):
1. Gulf Net Rental
 2. Bill This Co-owner
 3. Co-owner Bill's Gulf
 4. Co-owner With No Bills Involved
 5. Gulf Net Rental Payable by Invoice
 6. Other-No Rent Due
 7. Bill Outsider
 8. Manual Check

LEASE NO. (8)	EXP. DATE (MO-FORM) (1)	NEXT RENTAL DUE (MO. (2) MO. (3) DAY (3) YR. (2))	LESSOR INTEREST (4)	GROSS ACRES (RD'D) (5)	GULF NET ACRES (RD'D) (6)	GULF INTEREST (4)	GULF NET RENTAL (8)	SC (11)
0-63999-00	00 00 00	12 12-17-68	1.000	80	80	1.000	5 00	1
8505		12 57	1/8	78	02730			
80.00		.25					Cost Acre \$106.31	
	LEASE EXPIRATION DATE IF OPTION	INSTRUMENT	GRANTOR ALL OTHERS			DATE OF INST.	FED. ST. OR DEP. NO.	
		☒ OIL & GAS LEASE ☐ ASSIGNMENT ☐ LESSEE	State of New Mexico			12 17 57	OG 1644	
LAND DESCRIPTION (IF DIVIDED DESCRIBE GULF'S ACRES, THEN BALANCE)								
NE/4 NW/4 & SE/4 SE/4 Section 8-18S-28E (Gulf Interest: SE/4 SE/4 - Right below 2500' NE/4 NW/4 - 3/32 of 7/8 ORI from surface to 2500' & 11000 below 2500') 40.00 acres								
BASIC LEASE COVERS OTHER ACRES								
SEQ. NO. (2)	OR. CALL UP DATE (8)	CO-OWNER NAME - ADDRESS (44)			CO-OWNER INTEREST (4)		CO-OWNER NET RENTAL (8)	
		BRIEF OBLIGATION EXPLANATION (44)						
4 3 01		Marbob Energy Corp., P. O. Box 304			.SRO		10 00 2	
4 02		Artesia, New Mexico 88210						
4 03		Jack Mask, P. O. Box 1235.			.SRO		5 00 2	
4 04		Roswell, New Mexico 88201						
(SEE CONTINUATION SHEET)								
5 01	00 00 00	Subject West Artesia Unit Mp 062						
5 02	00 00 00	Orig expiration 12-17-67 4						
5 03	00 00 00	Shut in gas provision						
CORRECTION: This is to show H & S Oil Co. acquired the Unit interest of E. J. Shepard for 1/32 working interest. H&S interest acquired by Marbob Energy Corp.								
NOTE: By assignment effective 9-1-61, Gulf sold the SE SE to 2500' to Jack Mask. working interest in NE/4 NW/4 from surface to 2500' owned as follows: H & S Oil Co. 29/32, C. E. Roach 1/16, Minnie Shepard 1/32								
DELETE CHECK DATA MO. (2) YR. (2)								
NO. CKS. LEASE DATE (8)	BOOK (4) PAGE (4)	COUNTY-PARISH (21)	STATE (2)	GROSS ACRES (10)	RENTAL PERIOD MOS. (2) MO. (2) DAY (2)			
01 12 17 57		EDDY	NM	80 00	12 12 17			
CK (2)	SEC. (2)	LAND DESCRIPTION IDENTIFICATION, OWNERS, SERVICE CHG. AND REPORT NO. (61)			GIN NO. ON AMT. LINES (10)		RENTAL AMOUNT (8)	
		PAYEE NAME, ADDRESS AND ZIP (37)						
8 0101		State of New Mexico OG 1644					20 00	
8 3 0102		Report No. 5-6417						
9 0101		Commissioner of Public Lands					20 00	
9 0102		State of New Mexico						
9 0103		P. O. Box 1148						
9 0104		Santa Fe, New Mexico 87501						

RENTAL YEAR	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	RENTAL CARD
																	MADE ()

MJA/kmj
PREPARED BY
ELH
CHECKED BY

LEASE DIGEST REPORT
GUS 98916-8 (continuation)

CORRECTION

EDDY STATE "BO"

PAGE 2 OF 2

DATE - 01-21-81

REPORT NO.

5-6417

LEASE NO 0-63999-00

CHANGE TYPE	RCN	Y	SEQ. NO. (2)	CO-OWNER NAME - ADDRESS (14)	CO-OWNER INTEREST (14)	CO-OWNER NET RENTAL (7)	SC (1)
LINE NOS.				POS. CALL UP DATES (14)	BRIEF OBLIGATION EXPLANATION (14)		
	CK (2)	SEQ. (2)		LAND DESCRIPTION IDENTIFICATION, OWNERS, SERVICE CHG. AND REPORT NO. (57)			RENTAL AMOUNT (7)
				PATENT NAME AND ADDRESS (37)			
5		04	00 00 00	Committed to the Empire			
5		05	00 00 00	W. I. Unit No. 5-16058-00			

Change Type

- 0. New Line
- 1. Delete Line
- 2. Add New Line
- 3. Change or Replace Line

NUMBER IN

() IS DIGITS REQUIRED

5. C. BILL Code:

- 1. Gulf Net Rental
- 2. Bill this Co-owner
- 3. This Co-owner bills Gulf
- 4. Co-owner with no bills involved
- 5. Gulf Net Rental payable by invoice
- 6. Other - No Rent Due
- 7. Bill Outsider
- 8. Manual Check

NOTE : By instrument effective 11-1-79, Gulf entered into an operating agreement with Aminoil USA, Inc., as operator limited in depth to the Morrow Formation. See Unit for various interest of parties.

Replaces report 5-3681 to change "4" line.

CORRECTION

EDDY "BC" STATE

LEASE SHEET REPORT
ON 10-1-84
CHANGE TYPE

NO.

DATE 5-6-84

REPORT NO. 5-5302

0-56092-00

LEASE NO. (2)	0-56092-00	OL. NO. (2)	04-0	TAX (2)	00	STATE (2)	030	INT. (2)	05	AREA (1)	COUNTY (2)	SCDS (2)	015	30G14	MAP NO. (2)	062	PACIFIC (2)	00002	SEC. (2)	08	TWP. (2)	018S	RNG (2)	028E	S.C. (1)	3	
EXP. DATE (2)	04-10-56	4	NEXT RENTAL DUE	12	04-10-47	1.000	200	200	1.000	20.00	1																
GULF OIL COST (10)	9343	04-46	ROYALTY (2)	1/8	78	02746																					
GULF NET ACRES (ACTUAL)	200.00	0.50	APR. NO.	-	CHECK DATE	-	CHECK NO.	-	REP. LEASE NO.																		
LEASE EXPIRATION DATE	IF OPTION	INSTRUMENT	GRANTOR ALL OTHERS													DATE OF USE	4-10-46	REL. ST. OR EXP. NO.	E-828								
LAND DESCRIPTION (IF DIVIDED GULF'S ACRES, THEN BALANCE)																											
SE/4 SW/4 Sec. 8; S/2 NE/4 Sec. 18; SE/4 NE/4 & NE/4 SE/4 Sec. 19 - 18S - 28E 200.00																											
SAME LEASE COVERS OTHER ADDRESS																											
NO. (2)	01	Yates Drilling Company	207 S. 4th St., Artesia, NM	SRO	40	00	2																				
02	Donnell Drilling Company	P.O. Box 433, Artesia, NM	SRO	20	00	2																					
03	C.O. Fulton	1702 Currie St., Artesia, NM 88210	SRO	20	00	2																					
04																											
01	00	00	00	Map No. 062																							
02	00	00	00	Continue rentals to State for life of																							
03	00	00	00	lease regardless of drlg. or prod.																							
04	00	00	00	NESE Sec. 19 committed to Artesia Metex																							
05	00	00	00	Unit No.5-07561-00. Gulf ORI only.																							
				NOTE: Well No. 1 producing by sublessee 5-16-56																							
				(SEE CONTINUATION SHEET)																							
NO. (2)	01	04-01-46	0000	0000	EDDY	NM	200	00	12	04-10																	
0101	State of New Mexico E-828																										
0102	Report No. 5-5302																										
0101	Commissioner of Public Lands																										
0102	State of New Mexico																										
0103	P.O. Box 1148																										
0104	Santa Fe, NM 87501																										

RENTAL	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85
YEAR																

RENTAL CARD	WFS/IX
MADE ()	CHECKED BY

DATE		3-6-84		REPORT NO.		5-5302		LEASE NO.		0-56092-00	
CHANGE TYPE	LINE NOS.	SEQ. NO. (1)	CO-OWNER NAME - ADDRESS (14)	CO-OWNER INTEREST (15)	CO-OWNER NET RENTAL (16)	CO-OWNER NET RENTAL (17)	CO-OWNER NET RENTAL (18)	CO-OWNER NET RENTAL (19)	CO-OWNER NET RENTAL (20)	CO-OWNER NET RENTAL (21)	CO-OWNER NET RENTAL (22)
			OR CALL UP DATE (11)	BRIEF OBLIGATION EXPLANATION (12)							
		CL. (2)	SEQ. (3)	LAND DESCRIPTION IDENTIFICATION, OWNERS, SERVICE CHG. AND REPORT NO. (5)							
				PAYEE'S NAME AND ADDRESS (37)							
	5	06	00 00 00	Sec. 8 committed to the							
	5	07	00 00 00	Empire W.I. Unit No.							
	5	08	00 00 00	5-16058-00.							
Change Type											
0. New Use											
1. Delete Line											
2. Add New Line											
3. Change or Replace Line											
NUMBER IN											
1 IS DIGITS REQUIRED											
3. C. Bill Code:											
1. Gulf Net Rental											
2. Bill this Co-owner											
3. This Co-owner bills Gulf											
4. Co-owner with no bills involved											
5. Gulf Net Rental payable by invoice											
6. Other - No Rent Due											
7. Bill Outsider											
8. Manual Check											
Notes:											
				By instrument dated 10-31-56 rights to 2500' under SE/4 SW/4 Sec. 8-18S-28E subleased to L. N. Marbry. Gulf reserved 1/16 of 7/8 ORRI.							
				By instrument dated 3-31-56 Gulf subleased to Ralph Nix & Jerry Curtis rights to depth of 2600' under SE/4 NE/4 & NE/4 SE/4 Sec. 19-18S-28E. Gulf reserved 1/16 of 7/8 ORRI.							
				By instrument eff. 9-1-71 Nix & Curtis assigned right, title & interest in operating agreement to Yates Drilling Co., insofar as it covered NE/4 SE/4 Sec. 19-18S-28E.							
				By instrument dated 5-29-73 Nix & Curtis assigned their interest in operating agreement to Yates Drilling Co., insofar as it covered SE/4 NE/4 Sec. 19-18S-28E.							
				By instrument dated 10-10-74 Gulf assigned to C.O. Fulton rights to any formation above 2300 feet under SE/4 NE/4 (40 acres) of Sec. 18-18S-28E, reserving 1/8 of 8/8 ORRI.							
				By instrument effective 11-1-79, Gulf entered into an operating agreement with Aminoil USA, Inc. as operator, limited in depth to the Morrow Formation. See Unit No. For various interest of parties.							
				This replaces Report No. 5-5095 to add 5-lines and notes.							
				(11-23-83/TKS) Eff. 10-19-83, Gulf subleased to Collier Energy, Inc., the SW/4 NE/4 Sec. 18, limited in depth from the surface to the base of the deepest formation found to be commercially productive in each well drilled, not to exceed the base of the San Andres formation or 3500', whichever is the lesser. Gulf reserved 1/8 of 8/8 ORRI increasing to 15% of 8/8 ORRI upon payout of the drilling program.							
				Replaces report 5-3679 to add 4 line, change Gulf's rental, and add notes.							
				(3-5-84/TKS) Per memo of 2-17-84 from D. H. Messer, Collier was unable to drill the ITW. All rights revert to Gulf.							
				Replaces Report 5-4645 to delete 4-04 line and add notes.							

MEWBOURNE OIL COMPANY

OIL CONSERVATION DIVISION
RECEIVED

'92 AUG 3 AM 10 04

CHALK BLUFF FED. #1 PAY-OUT STATUS REPORT FROM INCEPTION THRU 04/30/92

EXPENDITURES	CURRENT MONTH	INCEPTION TO DATE	RECOVERY %	BALANCE TO BE RECOVERED
INTANGIBLE DRILLING & COMPLETION CO	0.00	702,448.46	300%	2,107,345.38
LEASE & WELL EQUIPMENT	2,138.40	242,817.75	300%	728,453.25
LEASE OPERATING EXPENSES	1,054.58	15,960.00	100%	15,960.00
TOTAL EXPENDITURES				<u>\$2,851,758.63</u>

INCOME	CURRENT MONTH VOLUME	INCEPTION TO DATE VOLUME	CURRENT MONTH DOLLARS	INCEPTION TO DATE DOLLARS
OIL SALES	0.00	556.00	0.00	10,253.95
GAS SALES	5,413.00	164,168.00	7,890.51	247,280.52
OIL PRODUCTION TAX			0.00	(755.40)
GAS PRODUCTION TAX			(554.08)	(17,163.19)
TOTAL INCOME			7,336.43	239,615.88
LESS ROYALTIES @ .25				(59,903.97)
NET INCOME APPLICABLE TO PAYOUT				<u>\$179,711.91</u>
BALANCE TO BE RECOVERED				<u>\$2,672,046.72</u>

Case 10427

EXXON COMPANY USA
STATE OF NEW MEXICO

MEWBOURNE OIL COMPANY

CHALK BLUFF FED. #1 PAY-OUT STATUS REPORT FROM INCEPTION THRU 05/30/92

EXPENDITURES	CURRENT MONTH	INCEPTION TO DATE	RECOVERY %	BALANCE TO BE RECOVERED
INTANGIBLE DRILLING & COMPLETION CO	0.00	702,448.46	300%	2,107,345.38
LEASE & WELL EQUIPMENT	0.00	242,817.75	300%	728,453.25
LEASE OPERATING EXPENSES	1,065.88	17,025.88	100%	17,025.88
TOTAL EXPENDITURES				<u>\$2,852,824.51</u>

INCOME	CURRENT MONTH VOLUME	INCEPTION TO DATE VOLUME	CURRENT MONTH DOLLARS	INCEPTION TO DATE DOLLARS
OIL SALES	0.00	556.00	0.00	10,253.95
GAS SALES	4,808.00	168,976.00	6,893.56	254,174.08
OIL PRODUCTION TAX			0.00	(755.40)
GAS PRODUCTION TAX			(484.07)	(17,647.26)
TOTAL INCOME			6,409.49	246,025.37
LESS ROYALTIES @ .25				(61,506.34)
NET INCOME APPLICABLE TO PAYOUT				<u>\$184,519.03</u>
BALANCE TO BE RECOVERED				<u>\$2,668,305.48</u>

EXXON COMPANY USA
STATE OF NEW MEXICO

West Texas and Eastern New Mexico-5 Oil Wells

Responses	1991	1990	Depth in Feet	Monthly Drilling Well Rates			Monthly Producing Well Rates		
				1991	1990		1991	1990	
				Mean	Median		Mean	Median	
194	133		0 - 5,000	\$3,208	\$3,000	\$2,931	\$319	\$300	\$291
125	100		5,001 - 10,000	4,200	4,000	3,955	432	400	291
44	30		10,001 - 15,000	5,281	5,128	5,184	524	540	485
7	9		15,001 - 20,000	6,204	7,000	5,947	651	718	548
4	6		20,001 -	5,754	4,500	7,236	630	500	694
21	20		No Depth Limit	4,160	4,390	3,573	432	450	401

West Texas and Eastern New Mexico-5 Gas Wells

Responses	1991	1990	Depth in Feet	Monthly Drilling Well Rates			Monthly Producing Well Rates		
				1991	1990		1991	1990	
				Mean	Median		Mean	Median	
85	87		0 - 5,000	\$2,885	\$3,000	\$2,805	\$293	\$300	\$290
60	71		5,001 - 10,000	4,110	4,000	3,898	398	400	359
24	28		10,001 - 15,000	5,105	5,000	5,196	526	513	471
8	11		15,001 - 20,000	5,879	7,000	5,887	658	700	502
5	4		20,001 -	6,006	7,014	6,544	647	718	678
20	18		No Depth Limit	4,182	4,390	3,661	431	450	393