



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

AZTEC DISTRICT OFFICE DIVISION

GARREY CARRUTHERS
GOVERNOR

RECEIVED
'90 SEP 4 AM 10 40

11000 RIO HAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-0170

Date: 7-27-90

DD-40

Mike Stogner

Oil Conservation Division
P.O. Box 2000
Santa Fe, NM 87504-2000

Re: Proposed HC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen: *DD X*

I have examined the application dated 7-16-90
for the *Blackwood & Nichols* *N.E.B.U. # 423R*
Operator Lease & Well No.

J-8-30N-2W and my recommendations are as follows:
Unit, S-T-R

Approvals

Yours truly,

Janie Bouch

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

Mr. Michael Stogner
New Mexico Oil Conservation
P. O. Box 2088
Santa Fe, New Mexico 87504

RE: Loco Hills Prospect
W/2 of Section 2
T18S, R30E
Eddy County, New Mexico

Dear Mr. Stogner:

Mewbourne Oil Company feels it is necessary to apply for and receive an unorthodox location drilling permit to drill a well on its Loco Hills Prospect located in Section 2, T18S, R30E, Eddy County, New Mexico. A location 660'FWL(nearest side boundry) and 990' FSL(nearest end boundry) in the W/2 of Section 2 would give Mewbourne Oil Company a greater likelihood of encountering a thickness of Lower Morrow Sand sufficient to make a commercial well.

Lower Morrow sands colored orange and brown are the dominant Morrow Producers in the area (See Cross Section C-C'). The State CE #1(unit F, Section 2), drilled at a legal location, produces from a Middle Morrow sand while the Lower Morrow sands are poorly developed. The Enron (Belnorth) Nelson "3" Federal #9 (unit J, Section 3) had poor and unproductive Lower Morrow sands. Therefore, our primary reason for this unorthodox location request is to place our well as far away from these wells as possible, while attempting to encounter thick Lower Morrow channel sands.

The enclosed sand isopachs and structure map show the northwest-southeast trend of the Lower Morrow. The Anadarko Arnold Federal #1 (unit G, Section 34) had 44' of productive Lower Morrow sand. Based on the apparent narrowing of the Lower Morrow channel system, the prospect is predicted to have greater sand thickness at the proposed location rather than at a standard location (marked "X"). In redrilling the W/2 of Section 2, the Middle Morrow sand also has backup potential. The proposed location also distances Mewbourne Oil from the drainage radius affected by the State "CE" #1. The Strawn Formation also had a show of oil while drilling the State "CE" #1. The proposed location may also be moving in a direction of better Strawn porosity development.

The unorthodox location, which Mewbourne seeks, is clearly moving away from the nearest well (the Arnold Federal #1, Section 34) producing from the Lower Morrow formation. In fact, the east half of T18S-R30E presently has no Morrow tests south of Sections 2 and 3.

Mewbourne Oil Company has notified the offset operators and unleased mineral owners of our intention to apply for the unorthodox location drilling permit pursuant to Division 104 (F).

Sincerely,

Mewbourne Oil Company



David C. Shatzer
Geologist

DCS/nb

enclosure: (2) Gross Sand Isopachs
(1) Structure Map
(1) Cross Section C-C'
(1) Production Map

OIL CONSERVATION DIVISION
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

'90 AUG 23 AM 9 22

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

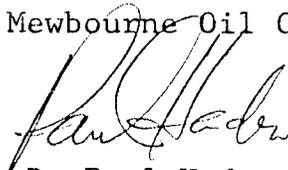
Gentlemen:

Anadarko Petroleum Corporation, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

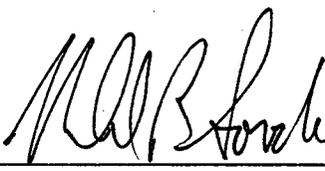
This letter is to advise that Anadarko Petroleum Corporation has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: 

Title: Division Chairman

Date: 8-20-90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

OIL CONSERVATION DIVISION
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Mr. Michael Stogner
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

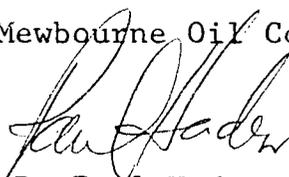
Gentlemen:

Roy L. Crow, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Roy L. Crow has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Roy L. Crow

Title: Owner

Date: 8/15/90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

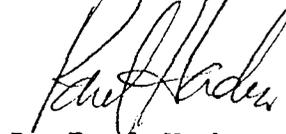
Gentlemen:

Scott Wilson, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Scott Wilson has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Scott E. Wilson

Title: _____

Date: August 15, 1990

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

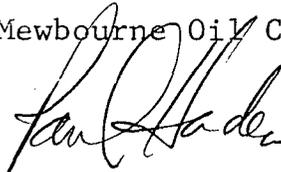
Gentlemen:

James D. Brown, Jr., as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that James D. Brown, Jr. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY:  _____

Title: _____

Date: 8/19/90 _____

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Basic Energy, Inc., as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

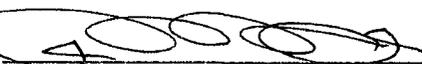
This letter is to advise that Basic Energy, Inc. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: 

Title: PRESIDENT, BASIC ENERGY INC, MANAGING GENERAL PARTNER, OIL COUNTY 1993-A
GENERAL PARTNER

Date: 8/14/90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Charles F. Malone Trustee, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Charles F. Malone Trustee has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Charles F. Malone

Title: Trustee

Date: 8/10/90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

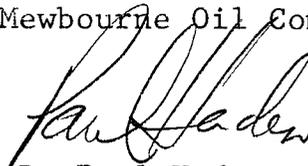
Gentlemen:

Earl L. Malone, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Earl L. Malone has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Earl L. Malone

Title: _____

Date: 8-10-90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

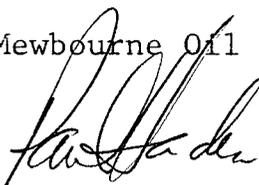
Gentlemen:

Ross L. Malone, Trustee, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Ross L. Malone, Trustee has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

ROSS L. MALONE TESTAMENTARY TRUST

BY: DW Malone

Title: Trustee

Date: 8-10-90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Elizabeth A. Malone Trust, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Elizabeth A. Malone Trust has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: DW Malone

Title: Trustee

Date: 8-10-90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Read & Stevens, Inc., as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

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

Sincerely,

Mewbourne Oil Company


D. Paul Haden
Landman

BY: Bill Bradshaw

Title: Geologist

Date: 8/14/90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Baynard W. Malone, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Baynard W. Malone has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company


D. Paul Haden
Landman

BY: 

Title: _____

Date: 8-10-90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

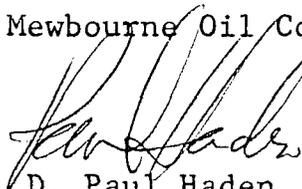
Gentlemen:

Brent McWhorter, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Brent McWhorter has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company


D. Paul Haden
Landman

BY: Brent McWhorter

Title: OWNER

Date: 8-13-90

OIL CONSERVATION DIVISION
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Rio Pecos Corporation, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Rio Pecos Corporation has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Mark D. Wilson
Title: PRESIDENT
Date: 8/21/90

RIO PECOS CORPORATION ***

* ***By Rio Pecos Corporation executing this letter, Mewbourne Oil Company, or its affiliates, agree to execute a similar letter waiving objection to the granting of a permit to drill an unorthodox drillsite location in the event Rio Pecos Corporation, or its affiliates propose an unorthodox drillsite location(s) in Section 3, 10, or 11, T18S, R30E, Eddy County, N.M.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

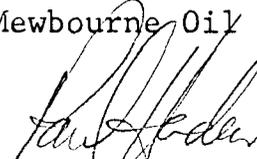
Gentlemen:

Mark D. Wilson, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Mark D. Wilson has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Mark D. Wilson ***

Title: Landman

Date: 8/21/90

***By Mark D. Wilson executing this letter, Mewbourne Oil Company, or its affiliates, agree to execute a similar letter waiving objection to the granting of a permit to drill an unorthodox drillsite location in the event Mark D. Wilson, or his affiliates, propose an unorthodox drillsite location(s) in Section 3, 10, or 11, T18S, R30E, Eddy County, N.M.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Roger Elliott, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Roger Elliott has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Roger T. Elliott ***

Title: Roger T. Elliott
owner

Date: _____

***By Roger T. Elliott executing this letter, Mewbourne Oil Company, or its affiliates, agree to execute a similar letter waiving objection to the granting of a permit to drill an unorthodox drillsite location in the event Roger T. Elliott, or its affiliates propose an unorthodox drillsite location(s) in Section 3, 10 or 11 T18S, R30E, Eddy County N.M.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Todd Wilson, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Todd Wilson has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Todd M. Wilson ***
Title: Todd M. Wilson
owner
Date: 8-15-90

*** By Todd M. Wilson executing this letter, Mewbourne Oil Company, or its affiliates, agree to execute a similar letter waiving objection to the granting of a permit to drill an unorthodox drillsite location in the event Todd M. Wilson or its affiliates propose an unorthodox drillsite location(s) in Section 3, 10 or 11, T18S, R30E, Eddy County, N.M.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

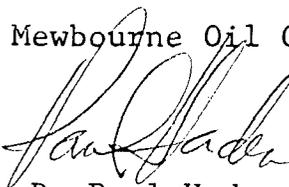
Gentlemen:

Davis A. Coppedge, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Davis A. Coppedge has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Davis A. Coppedge

Title: Owner

Date: 8-19-90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Southland Royalty Company, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Southland Royalty Company has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Robert L. Bradshaw

Title: SR. STAFF ENV./REG. SPEC.

Date: 8/22/90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

OIL CONSERVATION DIVISION
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Mr. Michael Stogner
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

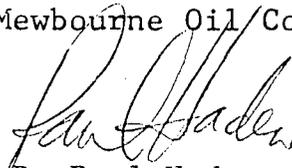
Gentlemen:

Mary J. McWhorter, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Mary J. McWhorter has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Mary J. McWhorter

Title: _____

Date: Aug. 21, 1990

MEWBOURNE OIL COMPANY OIL CONSERVATION DIVISION

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

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'90 AUG 27 AM 10 26

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

James Turner Coppedge, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that James Turner Coppedge has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: James Turner Coppedge

Title: Owner

Date: 8/20/90

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

OIL CONSERVATION DIVISION
RECEIVED

'90 AUG 24 AM 9 17

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

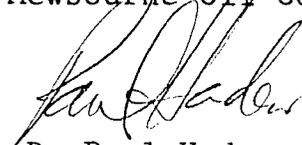
Gentlemen:

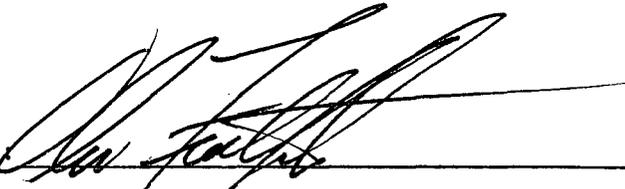
Featherstone Development Corp.
~~Featherstone Farms, Ltd.~~, as an offset operator or owner of
operating rights, has been advised of Mewbourne Oil Company's intent
to drill the above referenced well at a location 660' FWL & 990' FSL
of Section 2, T18S, R30E, Eddy County, New Mexico.

Featherstone Development Corp
~~Featherstone Farms, Ltd.~~
This letter is to advise that ~~Featherstone Farms, Ltd.~~
has no objection to the granting of a permit to drill at this
location and hereby waives objection and notice of hearing on this
application.

Sincerely,

Mewbourne Oil Company


D. Paul Haden
Landman

BY: 

Title: President of Featherstone Development Corp.

Date: August 21, 1990

MEWBOURNE OIL COMPANY OIL CONSERVATION DIVISION

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

RECEIVED

'90 AUG 29 AM 9 14

915 / 682-3715

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

Gentlemen:

Jean A. Eaton, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Jean A. Eaton has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Jean A. Eaton

Title: Partner

Date: August 22, 1990

OIL CONSERVATION DIVISION
RECEIVED

'90 SEP 4 AM 9 47

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

NSL-2856

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

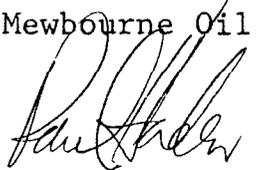
Gentlemen:

Enron Oil and Gas Company, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Enron Oil and Gas Company has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company


D. Paul Haden
Landman

BY:  BT

Title: Agent & Attorney-In-Fact

Date: August 31, 1990

OIL CONSERVATION DIVISION
RECEIVED

'90 SEP 4 AM 9 37

MEWBOURNE OIL COMPANY

503 W. TEXAS, SUITE 102
MIDLAND, TEXAS 79701

915 / 652-3711

August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

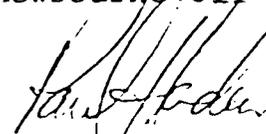
Gentlemen:

Heather W. Echols, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Heather W. Echols has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

BY: Heather W. Echols ***

Title: Individual

Date: 8/28/90

*** By Heather W. Echols executing this letter, Mewbourne Oil Company, or its affiliates, agree to execute a similar letter waiving objection to the granting of a permit to drill an unorthodox drillsite location in the event Heather W. Echols, or her affiliates, propose an unorthodox drillsite location(s) in Section 3, 10 or 11, T18S-R30E, Eddy County, N. M.

OIL CONSERVATION DIVISION
RECEIVED

'90 SEP 4 AM 9 30

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

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

Re: Application for Unorthodox
Location Drilling Permit
Loco Hills State #1 Well
W/2 of Section 2,
T18S, R30E
Eddy County, New Mexico

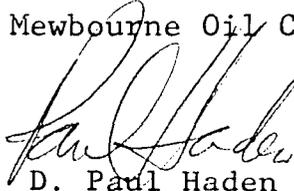
Gentlemen:

Michael H. Moore, as an offset operator or owner of operating rights, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 660' FWL & 990' FSL of Section 2, T18S, R30E, Eddy County, New Mexico.

This letter is to advise that Michael H. Moore has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



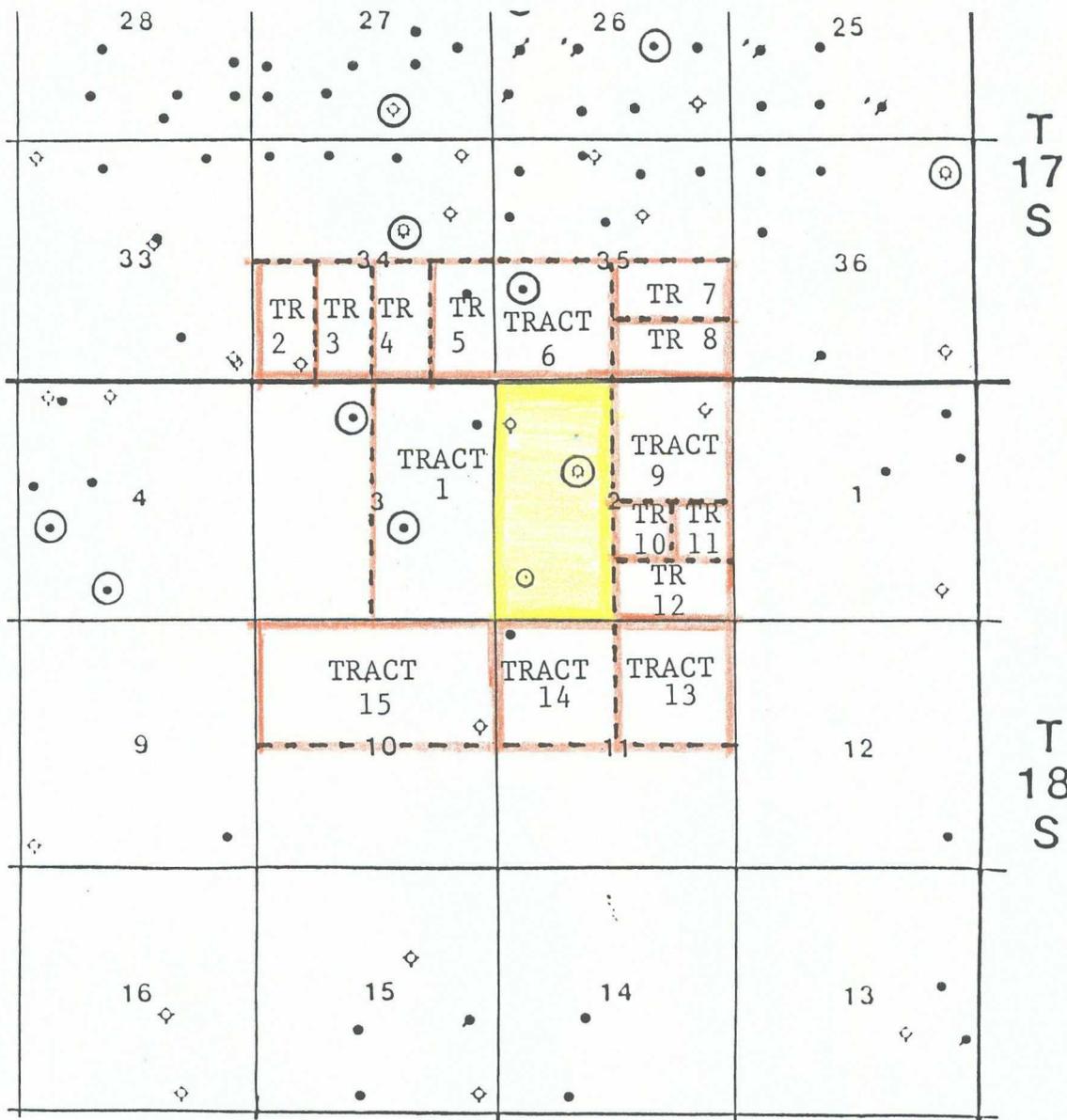
D. Paul Haden
Landman

BY: Michael H. Moore

Title: _____

Date: 8/20/90

R 30 E



○ (CIRCLED) MORROW FM. PENETRATIONS



MEWBOURNE OIL COMPANY

MIDLAND, TEXAS DISTRICT

LOCO HILLS PROSPECT
EDDY COUNTY, NEW MEXICO

JULY 1990

1" = 4000'

OFFSET OWNERSHIP - OPERATING RIGHTS

TRACT 1: E/2 of Section 3, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Enron Oil & Gas Co.
- 2) Read & Stevens, Inc.
- 3) Featherstone Farms, Ltd.
- 4) Yates Petroleum Corporation
- 5) Todd Memorial Trust
- 6) Southland Royalty Co.
- 7) Scott Wilson
- 8) Todd Wilson
- 9) Roger Elliott
- 10) Heather Wilson
- 11) LAE Energy, Inc.
- 12) Mark D. Wilson
- 13) Basic Energy 1983
- 14) Rio Pecos Corporation
- 15) James D. Brown, Jr.
- 16) Roy L. Crow

TRACT 2: W/2SW/4 of Section 34, T17S, R30E, Eddy County, New Mexico

Owners:

- 1) Anadarko Petroleum Corporation
- 2) Weller Energy, Inc.

TRACT 3: E/2SW/4 of Section 34, T17S, R30E, Eddy County, New Mexico

Owners:

- 1) Phillips Petroleum Company

TRACT 4: W/2SE/4 of Section 34, T17S, R30E, Eddy County, New Mexico

Owners:

- 1) Anadarko Petroleum Corporation
- 2) Phillips Petroleum Company
- 3) Francis J. Weller Trust
- 4) Jean A. Eaton
- 5) Earl A. Malone
- 6) Baynard W. Malone
- 7) Charles F. Malone, Trustee
- 8) Elizabeth Malone Trust
- 9) Jane Ellen Moore
- 10) Edith C. Wheeler
- 11) Mary J. McWhorter
- 12) Diane Moore Landen
- 13) Ann D. Allison
- 14) Brent W. McWhorter
- 15) James T. Coppedge
- 16) Lee Roy Brigham, Trustee
- 17) Davis A. Coppedge
- 18) Michael H. Moore
- 19) Ann Mitchell Keenan
- 20) Ross L. Malone, Trustee
- 21) George D. Mitchell
- 22) Mia Mitchell Simmons

TRACT 5: E/2SE/4 of Section 34, T17S, R30E, Eddy County, New Mexico

Owners:

- 1) Anadarko Petroleum Corporation
- 2) Weller Energy, Inc.

TRACT 6: SW/4 of Section 35, T17S, R30E, Eddy County, New Mexico

Owners:

- 1) Anadarko Petroleum Corporation
- 2) Weller Energy, Inc.

TRACT 7: N/2SE/4 of Section 35, T17S, R30E, Eddy County, New Mexico

Owners:

- 1) Phillips Petroleum Company

TRACT 8: S/2SE/4 of Section 35, T17S, R30E, Eddy County, New Mexico

Owners:

- 1) El Paso Production Co.
- 2) Anne Mitchell Keenan
- 3) Lee Roy Brigham and
Doris Ann Brigham, Trustees

TRACT 9: NE/4 of Section 2, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Arco Oil & Gas Company

TRACT 10: NW/4SE/4 of Section 2, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Yates Petroleum Corporation

TRACT 11: NE/4SE/4 of Section 2, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Arco Oil & Gas Company

TRACT 12: S/2SE/4 of Section 2, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Arco Oil & Gas Company

TRACT 13: NE/4 of Section 11, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Enron Oil & Gas Co.
- 2) Paul Slayton
- 3) Yates Petroleum Corporation
- 4) Southland Royalty Co.
- 5) Rio Pecos Corporation
- 6) Read & Stevens, Inc.
- 7) Todd Memorial Trust

TRACT 14: NW/4 of Section 11, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Pennzoil Exploration & Production
- 2) Yates Petroleum Corporation

TRACT 15: N/2 of Section 10, T18S, R30E, Eddy County, New Mexico

Owners:

- 1) Enron Oil & Gas Co.
- 2) Rio Pecos Corporation
- 3) Read & Stevens, Inc.
- 4) Featherstone Farms, Ltd.
- 5) Yates Petroleum Corporation
- 6) Todd Memorial Trust
- 7) LAE Energy, Inc.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Enron Oil & Gas Company
P. O. Box 2267
Midland, Texas 79702

Attn: Frank C. Estep
Division Landman

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne proposes to drill a well at a point located 990 feet from the south line and 660 feet from the west line of the above described Section 2 to an approximate depth of 11,700 feet to test all formations from the surface through the base of the Morrow formation.

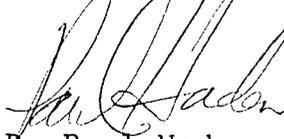
Mewbourne seeks an exception to the well location requirements of Division Rule 104 and has applied, pursuant to Division Rule 104 F(II) for administrative approval of an unorthodox gas well location as described above for all formations through the base of the Morrow formation which may be developed on 320 acre spacing. The W/2 of the above described Section 2 is to be dedicated to the test well.

Mewbourne wishes to drill this 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 other producing wells is sufficient to insure no harmful effect on other producers.

If you have no objection to the above location, please date and sign the attached Waivers of Objection and return two (2) copies to me in the enclosed self-addressed stamped envelope. Should you have any questions regarding the above or want to discuss this matter further, please call. Your prompt and favorable response will be sincerely appreciated.

Sincerely, .

Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

Attn: Robert H. Bullock

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne proposes to drill a well at a point located 990 feet from the south line and 660 feet from the west line of the above described Section 2 to an approximate depth of 11,700 feet to test all formations from the surface through the base of the Morrow formation.

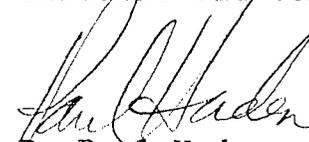
Mewbourne seeks an exception to the well location requirements of Division Rule 104 and has applied, pursuant to Division Rule 104 F(II) for administrative approval of an unorthodox gas well location as described above for all formations through the base of the Morrow formation which may be developed on 320 acre spacing. The W/2 of the above described Section 2 is to be dedicated to the test well.

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Sincerely, .

Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Read & Stevens, Inc.
P. O. Box 1518
Roswell, New Mexico 88201

Attn: Randall Fort

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne proposes to drill a well at a point located 990 feet from the south line and 660 feet from the west line of the above described Section 2 to an approximate depth of 11,700 feet to test all formations from the surface through the base of the Morrow formation.

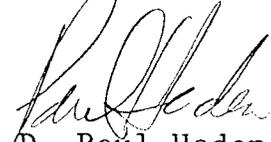
Mewbourne seeks an exception to the well location requirements of Division Rule 104 and has applied, pursuant to Division Rule 104 F(II) for administrative approval of an unorthodox gas well location as described above for all formations through the base of the Morrow formation which may be developed on 320 acre spacing. The W/2 of the above described Section 2 is to be dedicated to the test well.

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Sincerely, .

Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Rio Pecos Corporation
110 W. Louisiana, Suite 210
Midland, Texas 79701

Attn: Roger Elliott

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne proposes to drill a well at a point located 990 feet from the south line and 660 feet from the west line of the above described Section 2 to an approximate depth of 11,700 feet to test all formations from the surface through the base of the Morrow formation.

Mewbourne seeks an exception to the well location requirements of Division Rule 104 and has applied, pursuant to Division Rule 104 F(II) for administrative approval of an unorthodox gas well location as described above for all formations through the base of the Morrow formation which may be developed on 320 acre spacing. The W/2 of the above described Section 2 is to be dedicated to the test well.

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Sincerely,

Mewbourne Oil Company



D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Mark D. Wilson
110 W. Louisiana, Suite 210
Midland, Texas 79701

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne proposes to drill a well at a point located 990 feet from the south line and 660 feet from the west line of the above described Section 2 to an approximate depth of 11,700 feet to test all formations from the surface through the base of the Morrow formation.

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Sincerely, .

Mewbourne Oil Company



D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Scott Wilson
500 N. Loraine, Suite 1070
Midland, Texas 79701

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

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Sincerely,.

Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Todd Wilson
110 W. Louisiana, Suite 210
Midland, Texas 79701

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

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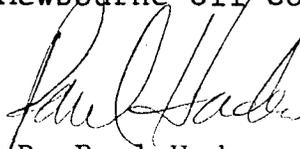
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Sincerely, .

Mewbourne Oil Company



D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Roger Elliott
110 W. Louisiana, Suite 210
Midland, Texas 79701

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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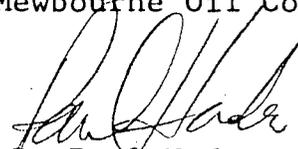
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Sincerely,

Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Heather Wilson
110 W. Louisiana, Suite 210
Midland, Texas 79701

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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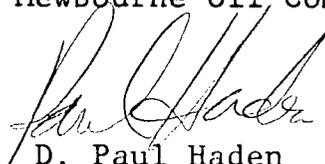
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Sincerely, ..

Mewbourne Oil Company



D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Featherstone Farms Ltd.
1717 West Second Street
Roswell, New Mexico 88201

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne proposes to drill a well at a point located 990 feet from the south line and 660 feet from the west line of the above described Section 2 to an approximate depth of 11,700 feet to test all formations from the surface through the base of the Morrow formation.

Mewbourne seeks an exception to the well location requirements of Division Rule 104 and has applied, pursuant to Division Rule 104 F(II) for administrative approval of an unorthodox gas well location as described above for all formations through the base of the Morrow formation which may be developed on 320 acre spacing. The W/2 of the above described Section 2 is to be dedicated to the test well.

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Sincerely, ..

Mewbourne Oil Company



D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Todd Memorial Trust
% Robert Armstrong
P. O. Box 1973
Roswell, New Mexico 88201

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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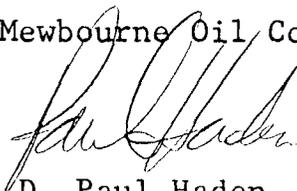
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Mewbourne Oil Company



D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Southland Royalty Company
21 Desta Drive
Midland, Texas 79705

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

LAE Energy, Inc.
1221 Lamar, Suite 1600
Houston, Texas 77010

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Basic Energy, Inc.
5646 Milton Street, Suite 318
Dallas, Texas 75206

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

James D. Brown, Jr.
5646 Milton Street, Suite 318
Dallas, Texas 75206

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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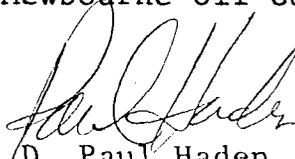
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Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Roy L. Crow
5646 Milton Street, Suite 318
Dallas, Texas 75206

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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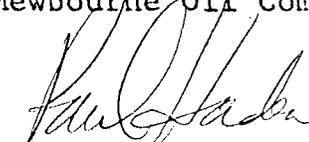
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Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Jean A. Eaton
5921 South Datura Court
Littleton, Colorado 80120

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Earl L. Malone
2501 Cortez Court
Roswell, NM 88201

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Baynard W. Malone
P. O. Box 87
Roswell, NM 88202

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Charles F. Malone, Trustee
P. O. Box 700
Roswell, NM 88202

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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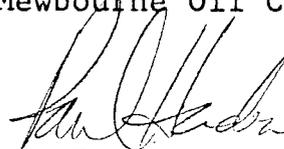
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Elizabeth A. Malone Trust
P. O. Box 87
Roswell, NM 88202

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Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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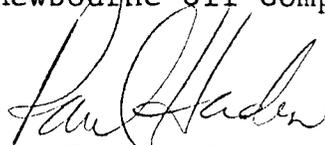
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500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Jane Ellen Moore
P. O. Box 356
Sherman, Texas 75090

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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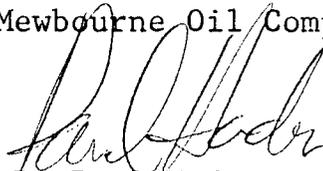
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500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Edith C. Wheeler
P. O. Box 64035
Lubbock, Texas 79464

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Mary J. McWhorter
2033 East 2nd Street
Tucson, Arizona 85719

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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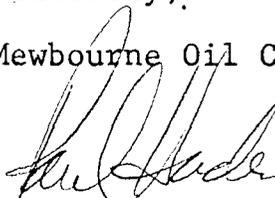
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500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Diane Moore Landen
P. O. Box 155
Allen, Texas 75002

RE: Application for Unorthodox
Location Drilling Permit
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Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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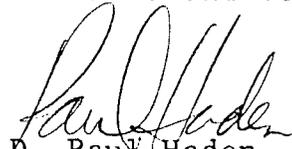
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500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Ann D. Allison
P. O. Box 64035
Lubbock, Texas 79464

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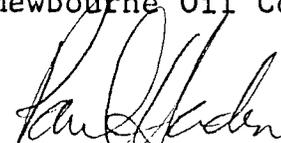
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Sincerely,.

Mewbourne Oil Company


D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Brent W. McWhorter
6140 E. Voltaire
Scottsdale, Arizona 85254

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

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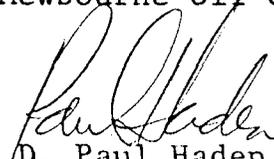
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

James Turner Coppedge
P. O. Box 43
Spencer, Indiana 47460

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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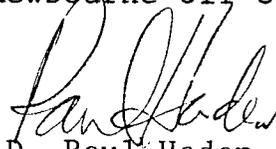
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MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Davis A. Coppedge
466 Goodwin Drive
Richardson, Texas 75081

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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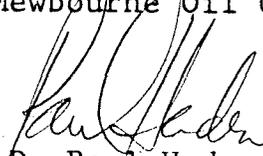
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Michael H. Moore
P. O. Box 356
Sherman, Texas 75090

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Ann Mitchell Keenan
P. O. Box 248
Avenal, California 93204

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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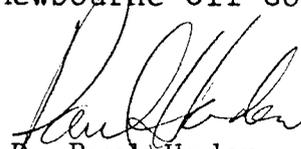
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Ross L. Malone, Trustee
P. O. Box 87
Roswell, NM 88201

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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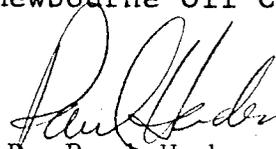
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

George D. Mitchell
2861 Tanoble
Altadena, California 91101

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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D. Paul Haden
Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Mia Mitchell Simmons
1272 11th Street
Los Osos, California 93402

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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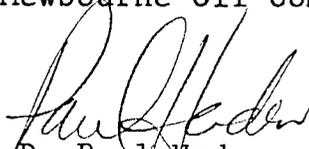
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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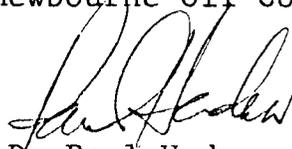
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Weller Energy, Inc.
132 Green Avenue
Madison, New Jersey 07940

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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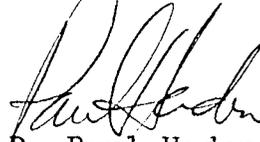
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500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Lee Roy Brigham and
Doris Ann Brigham, Trustees
9171 Patrick Avenue
Arleta, California 91331

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
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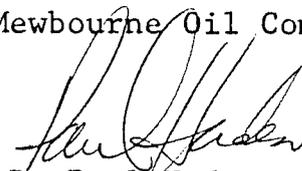
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500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

El Paso Production Company
801 Cherry Street
Ft. Worth, Texas 76102

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
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W/2 of Sec. 2, T18S, R30E,
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Pennzoil Exploration & Production
P. O. Box 2967
Houston, Texas 77252

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Paul Slayton
P. O. Box 2035
Roswell, NM 88201

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

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MIDLAND, TEXAS 79701

915 / 682-3715
August 8, 1990

CERTIFIED MAIL

Anadarko Petroleum Corporation
P. O. Box 2497
Midland, Texas 79702

Attn: Michael R. Goode

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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August 8, 1990

CERTIFIED MAIL

Francis J. Weller Trust
132 Green Avenue
Madison, New Jersey 07940

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
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Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

August 8, 1990

CERTIFIED MAIL

Arco Oil & Gas Company
P. O. Box 1610
Midland, Texas 79702

Attn: Timothy N. Derigo

RE: Application for Unorthodox
Location Drilling Permit
Cedar Lake Morrow Pool
Loco Hills State #1 Well
W/2 of Sec. 2, T18S, R30E,
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne proposes to drill a well at a point located 990 feet from the south line and 660 feet from the west line of the above described Section 2 to an approximate depth of 11,700 feet to test all formations from the surface through the base of the Morrow formation.

Mewbourne seeks an exception to the well location requirements of Division Rule 104 and has applied, pursuant to Division Rule 104 F(II) for administrative approval of an unorthodox gas well location as described above for all formations through the base of the Morrow formation which may be developed on 320 acre spacing. The W/2 of the above described Section 2 is to be dedicated to the test well.

Mewbourne wishes to drill this 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 other producing wells is sufficient to insure no harmful effect on other producers.

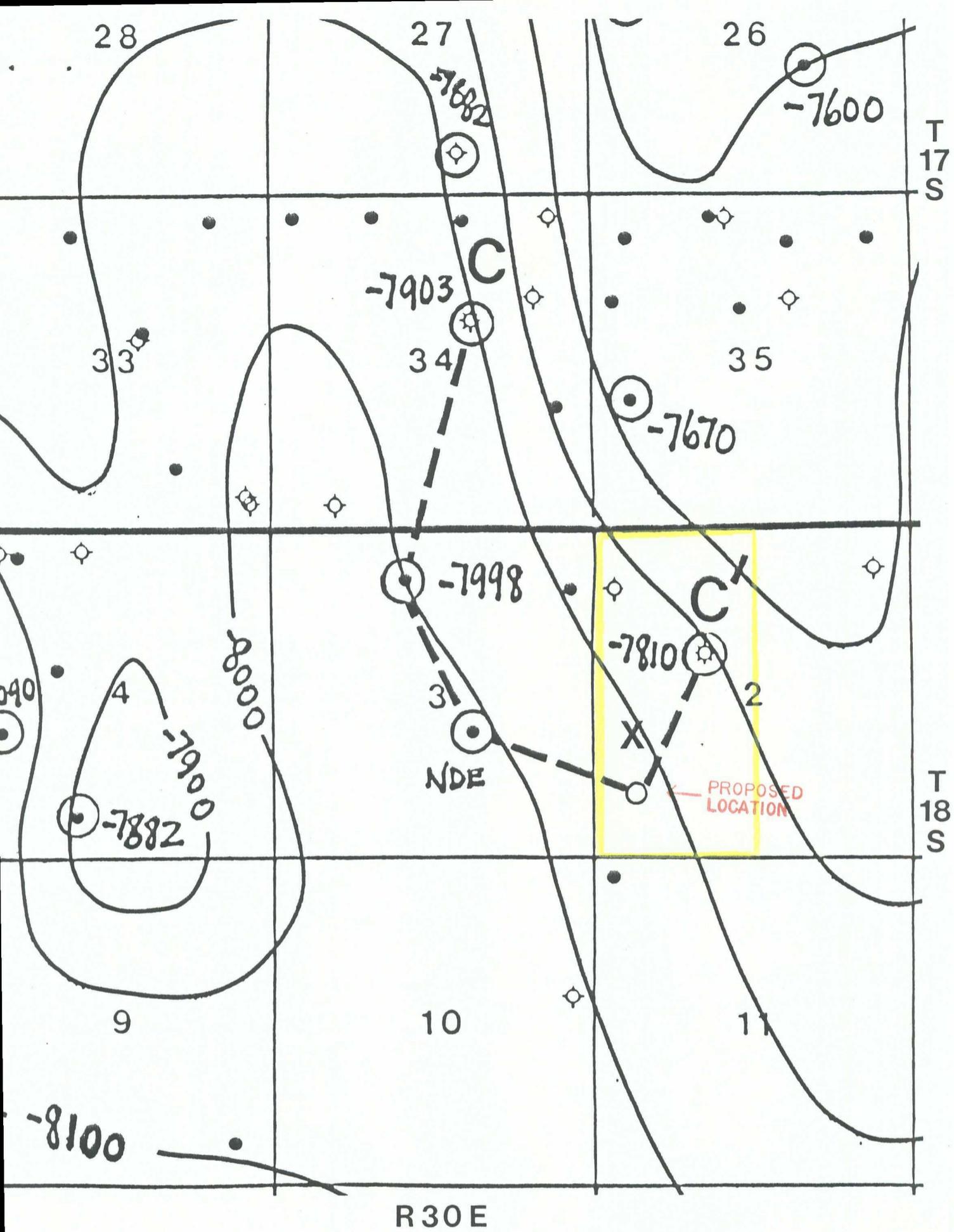
If you have no objection to the above location, please date and sign the attached Waivers of Objection and return two (2) copies to me in the enclosed self-addressed stamped envelope. Should you have any questions regarding the above or want to discuss this matter further, please call. Your prompt and favorable response will be sincerely appreciated.

Sincerely,:

Mewbourne Oil Company



D. Paul Haden
Landman



MEWBOURNE OIL COMPANY
MIDLAND, TEXAS DISTRICT

LOCO HILLS PROSPECT
EDDY COUNTY, NEW MEXICO

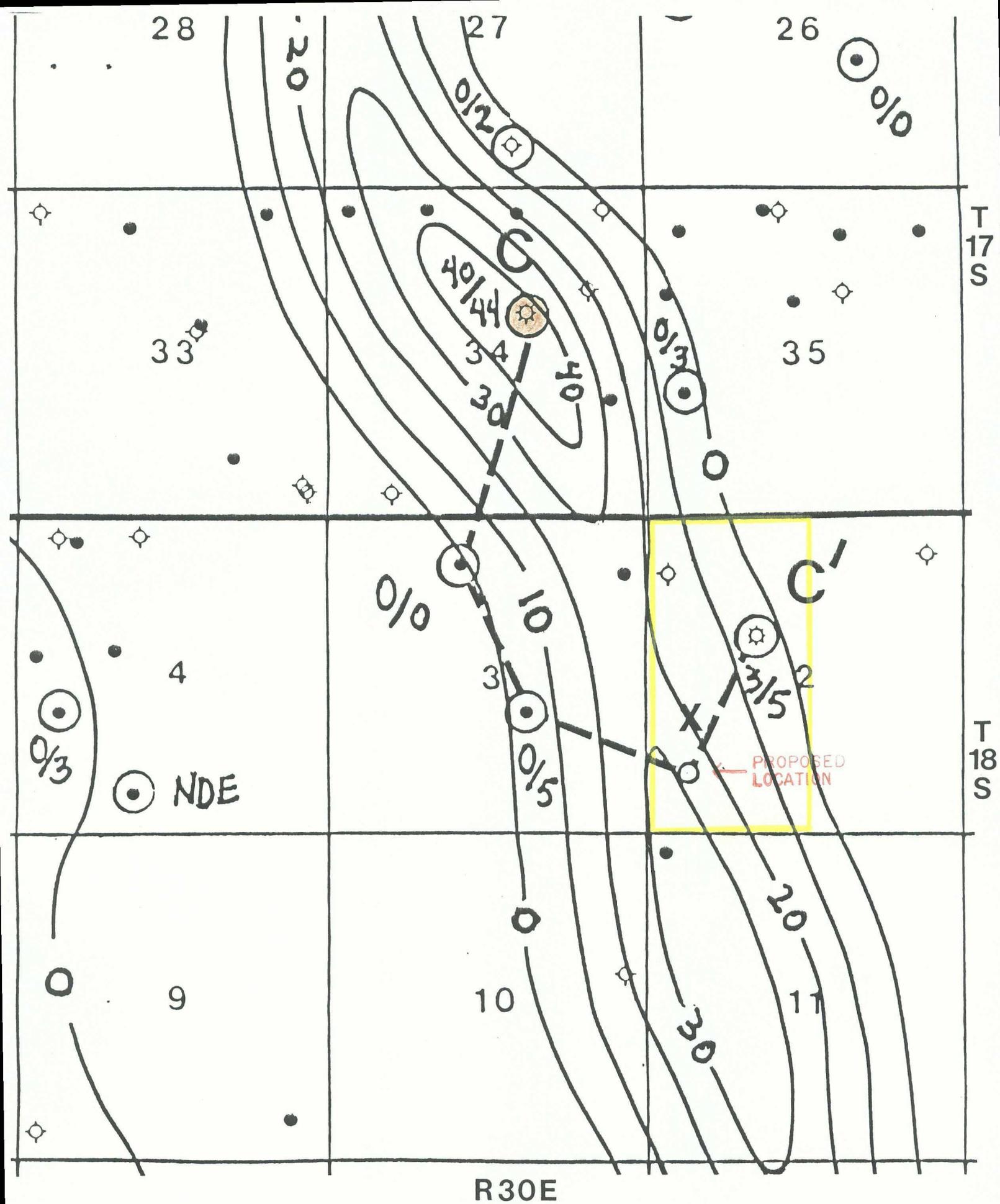
STRUCTURE MAP
BASE/MORROW - TOP/MISSISSIPPIAN

C.I. = 100'

JULY 1990

1" = 2000'

D. SHATZER



MEWBOURNE OIL COMPANY

MIDLAND, TEXAS DISTRICT

LOCO HILLS PROSPECT

EDDY COUNTY, NEW MEXICO

LOWER MORROW BROWN SAND

GROSS SAND ISOPACH

NET \emptyset \geq 7%
GROSS SD

C.I. = 10'

JULY 1990

1" = 2000'

D. SHATZER

28

27

26



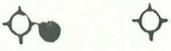
T
17
S

(TRANW)
-6756 MM + 128,426 BO/7 yrs
1989 MCF/D+10 BOPD

33

34

35



14 MM + 3628 BO/1 yr
Last Production 8/89

4

MOR
89 MM + 736 BO/3 yrs
Rec. to BSP 9/88
- 4 MM + 2,190 BO/1.5 yrs
8 MCF/D+3 BOPD

3

(CON)
-262 MM + 1,698 BO/4 yrs
43 MCF/D+-

2



149 MM + 55,118 BO/5 yrs
76 MCF/D+24 BOPD



← PROPOSED
LOCATION

(COI)
193 MM + 28,416 BO/6 yrs
63 MCF/D+4 BOPD



T
18
S

9

10

11

R30E

-  GRAYBURG/QUEEN/SAN ANDRES
-  FIRST BONE SPRING
-  SECOND/THIRD BONE SPRING
-  CISCO
-  STRAWN
-  ATOKA
-  MIDDLE MORROW
-  LOWER MORROW



MEWBOURNE OIL COMPANY

MIDLAND, TEXAS DISTRICT

LOCO HILLS PROSPECT

EDDY COUNTY, NEW MEXICO

PRODUCTION MAP

CUM. GAS/CUM. OIL

DAILY GAS/DAILY OIL

JULY 1990

1"=2000'

D. SHATZER