

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION DIVISION FOR  
THE PURPOSE OF CONSIDERING:**

**APPLICATION OF MEWBOURNE OIL  
COMPANY FOR COMPULSORY POOLING  
AND AN UNORTHODOX WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.**

**Case No. 15,274**

**VERIFIED STATEMENT OF CLAYTON PEARSON**

Clayton Pearson, being duly sworn upon his oath, deposes and states:

1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein.
2. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the compulsory pooling application filed herein:
  - (a) No opposition is expected because the locatable interest owners being pooled have been contacted and have simply not decided whether to join in the well. There are also numerous unlocatable interest owners.
  - (b) Attachment A is a plat outlining the unit being pooled. Mewbourne seeks an order pooling all mineral interests in the Wolfcamp formation underlying Lots 3, 4, S/2NW/4, and SW/4 (the W/2) of Section 3, Township 24 South, Range 28 East, NMPM, to form a standard 319.21 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The unit will be dedicated to the Yardbirds 3 W2DM Fee Well No. 1H, a horizontal well with a surface location 175 feet from the north line and 1070 feet from the west line, and a terminus 330 feet from the south line and 530 feet from the west line, of Section 3. The end of the producing interval will be unorthodox. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well.
  - (c) The parties being pooled, their working interests in the well unit, and their current addresses, are set forth on Attachment B. The well unit is comprised of fee land, and title in is very convoluted. All potential interest owners are listed in Attachment B.

Oil Conservation Division  
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Exhibit No.



- (d) Attachment C contains copies of the proposal letters sent to the interest owners, as well as follow up e-mails and other contacts.
- (e) In an attempt to find the mineral interest owners, Mewbourne Oil Company examined the Eddy County records, telephone directories and records in the counties of the last known residences of the interest owners, and internet directories.
- (f) Applicant has made a good faith effort to locate and obtain the voluntary joinder of all interest owners in the well.
- (g) Pursuant to Division rules, applicant requests that a 200% risk charge be assessed against any non-consenting working interest owner.
- (h) A copy of the Authority for Expenditure for the well is attached hereto as Attachment D. The drilling and completion costs set forth therein are fair and reasonable, and are comparable to those of other wells of this depth drilled in this area of Eddy County.
- (i) Overhead charges of \$7,500/month for a drilling well, and \$750/month for a producing well, are requested. These rates are fair and reasonable, and are in line with rates charged by other operators in this area for wells of this depth. Applicant also requests that the order contain a provision adjusting the rates pursuant to the COPAS accounting procedure.
- (j) Applicant requests that it be designated operator of the well.
- (k) The offset operators or working interest owners are listed on Attachment E.

#### VERIFICATION

COUNTY OF MIDLAND

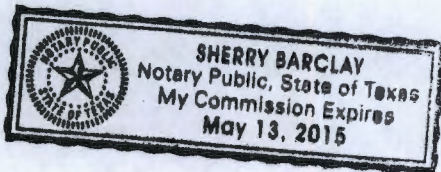
)  
) ss.  
)

Clayton C. Pearson  
Clayton Pearson

## My Commission Expires:

5/13/2015

*Shirley B. B...*  
Notary Public





Attachment



**TRACT OWNERSHIP**  
**Yardbirds "3" W2DM Fee #1H Well**  
**W/2 Section 3, Township 24 South, Range 28 East**  
**Eddy County, New Mexico**  
**Containing 320.0 Acres, more or less**

Attachment **B**

<b>W/2NW/4 and West 35 Acres of SE/4SW/4, Cont. 115 Acres, more or less.</b>		(115.0/320 = 35.9375%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<b>Leasehold Interest:</b>			
Elevation Resources LLC	100.00000%	35.93750%	35.93750%
<b>Total:</b>	<b>100.00000%</b>	<b>35.93750%</b>	<b>35.93750%</b>

<b>N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the Eastern Boundary Line of the A.T.&amp;S.F. Ry. Co. Right-of-Way, Cont. 92.85 Acres, more or less</b>		(92.85/320 = 29.01563%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<b>Leasehold Interest &amp; Undivided Mineral Interest:</b>			
The Beveridge Company	1.33334%	29.01563%	0.38688%
Zia Royalty, LLC	1.33334%	29.01563%	0.38688%
Pamela Ray Cummings, DSSP	0.08314%	29.01563%	0.02412%
Patricia Gae Stamps	0.08314%	29.01563%	0.02412%
John W. Osborn	0.08314%	29.01563%	0.02412%
Sue Osborn	0.04157%	29.01563%	0.01206%
Mary Camille Hall	0.04157%	29.01563%	0.01206%
Virginia Lee Davis, MSU	0.15614%	29.01563%	0.04531%
LBD, a Limited Partnership	0.10409%	29.01563%	0.03020%
Irma J. Gregory, Personal Rep. of Estate of Bonnie R. Gregory	0.09992%	29.01563%	0.02899%
Irma J. Gregory, DSSP	0.02498%	29.01563%	0.00725%
Thomas W. Gregory, DSSP	0.02498%	29.01563%	0.00725%
William E. Gregory, DSSP	0.02498%	29.01563%	0.00725%
Heirs of Devises of Stanley J. Gregory	0.02498%	29.01563%	0.00725%
Clarence W. Ervin, DSSP	0.10759%	29.01563%	0.03122%
Brian L. McGonagill and wife, Shirley C. McGonagill	0.29664%	29.01563%	0.08607%
Chasity Garza, MSU	0.01076%	29.01563%	0.00312%
Mary Jo Beeman Dickerson	0.48631%	29.01563%	0.14111%
Panagopoulos Enterprises	0.09263%	29.01563%	0.02688%
Klipstine & Hanratty	0.70264%	29.01563%	0.20388%
John E. Hall, III, MSU	0.37400%	29.01563%	0.10852%
Nevill Manning, MSU	0.02391%	29.01563%	0.00694%
Nolan Greak, MSU	0.02391%	29.01563%	0.00694%
Louis M. Ratliff and wife, Betty (Leased by Eland Energy, Inc.)	0.02391%	29.01563%	0.00694%
Elevation Resources LLC	73.33334%	29.01563%	21.27813%
Chevron USA, Inc.	0.80000%	29.01563%	0.23213%
Mewbourne Oil Company	20.26505%	29.01563%	5.88003%
<b>Total:</b>	<b>100.00000%</b>	<b>29.01563%</b>	<b>29.01563%</b>

<b>That Part of the N/2N/2NE/4SW/4, S/2SE/4NW/4 (Tracts 74 &amp; 75), NW/4SE/4NW/4 (Tract 72), and SE/4NE/4NW/4 (Tract 67) lying East of the A.T.&amp;S.F. Ry. Co. Right-of-Way, Cont. 27.15 Acres, more or less.</b>		(27.15/320 = 8.48438%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<b>Leasehold Interest:</b>			
Southwest Royalties, Inc.	97.24897%	8.48438%	8.25097%
Spiral, Inc.	2.75103%	8.48438%	0.23341%
<b>Total:</b>	<b>100.00000%</b>	<b>8.48438%</b>	<b>8.48438%</b>

<b>N/2NE/4SW/4 (Tracts 65 &amp; 66), Cont. 20.0 Acres, more or less.</b>		(20/320 = 6.250%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<b>Leasehold Interest:</b>			
Anna Pauline Swearingen, DSSP	1.04167%	6.25000%	0.06510%
Sheryl Collins and husband, Craig Collins	0.52083%	6.25000%	0.03255%
Sheryl Collins, DSSP	0.52083%	6.25000%	0.03255%



Terry A. White and Carla K. White, Trustees of the = Trust dated 5-7-2014	2.08334%	6.25000%	0.13021% *
James A. Collier, III, DSSP	0.62500%	6.25000%	0.03906% *
Gregory Collier, DSSP	0.62500%	6.25000%	0.03906% *
Richard Allen Swearingen, DSSP	0.52083%	6.25000%	0.03255% *
Melvin Rogers, DSSP	0.39062%	6.25000%	0.02441% *
Darlene Pearson, DSSP	0.39062%	6.25000%	0.02441% *
Norma Guppton, DSSP	0.39062%	6.25000%	0.02441% *
Ronald Rogers, DSSP	0.39063%	6.25000%	0.02441% *
Marilyn Denkert	0.07813%	6.25000%	0.00488% *
Seniors Center, Kenesaw, NE	0.03906%	6.25000%	0.00244% *
American Legion, Kenesaw, NE	0.15625%	6.25000%	0.00977% *
Cemetery Association, Kenesaw, NE	0.19531%	6.25000%	0.01221% *
Hastings College, Hastings, NE	0.11719%	6.25000%	0.00732% *
Rescue Unit, Kenesaw, NE	0.19531%	6.25000%	0.01221% *
Marvin L. Lundblade	0.78125%	6.25000%	0.04883% *
Julie J. Martin, DSSP	2.08333%	6.25000%	0.13021% *
John A. Brown, DSSP	0.31250%	6.25000%	0.01953% *
Peggy Sue Lawson, DSSP	0.31250%	6.25000%	0.01953% *
Tiffany Gunther, DSSP	0.31250%	6.25000%	0.01953% *
Roy G. Barton, Jr. and Claudia Barton, Joint Tenants	1.25000%	6.25000%	0.07813% *
Dale M. Richardsdon, DSSP	0.31250%	6.25000%	0.01953% *
Linda Richardson, a widow	0.07813%	6.25000%	0.00488% *
Harry T. Richardson, DSSP	0.11719%	6.25000%	0.00732% *
Robert D. Richardson, DSSP	0.11719%	6.25000%	0.00732% *
Elevation Resources LLC	4.89583%	6.25000%	0.30599% *
Mewbourne Oil Company	81.14584%	6.25000%	5.07162% *
<b>Total:</b>	<b>100.00000%</b>	<b>6.25000%</b>	<b>6.25000%</b>

<b>SE/4NW/4NW/4 (Tract 69), Cont. 10.0 Acres, more or less.</b>		(10/320 = 3.1250%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<b>Leasehold Interest:</b>			
Elevation Resources LLC	100.00000%	3.12500%	3.12500%
<b>Total:</b>	<b>100.00000%</b>	<b>3.12500%</b>	<b>3.12500%</b>

<b>SW/4NE/4NW/4 (Tract 68), Cont. 10.0 Acres, more or less.</b>		(10/320 = 3.1250%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<b>Leasehold Interest:</b>			
Realaza Del Spear, L.P.	100.00000%	3.12500%	3.12500%
<b>Total:</b>	<b>100.00000%</b>	<b>3.12500%</b>	<b>3.12500%</b>

<b>NE/4SE/4NW/4 (Tract 73), Cont. 10 Acres, more or less.</b>		(10.0/320 = 3.1250%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<b>Leasehold Interest:</b>			
Estate of Flora Ruiz	25.00000%	3.12500%	0.78125% *
Anastacia R. Blanco, DSSP	4.16667%	3.12500%	0.13021% *
Bill C. Ruiz	4.16667%	3.12500%	0.13021% *
Harvey G. Ruiz	4.16667%	3.12500%	0.13021% *
Lee Ann Voss Ruiz	0.17361%	3.12500%	0.00543% *
Joshua Lee Ruiz	0.52083%	3.12500%	0.01628% *
John Erby Ruiz	0.69444%	3.12500%	0.02170% *
John Bill Ruiz, DSSP	0.69444%	3.12500%	0.02170% *
Dela Inez Masterpolito, DSSP	0.69444%	3.12500%	0.02170% *
Erma Lee Garcia, DSSP	0.69444%	3.12500%	0.02170% *
Mary Jane Ruiz, DSSP	0.69444%	3.12500%	0.02170% *
Tumbleweed Exploration, LLC	0.83334%	3.12500%	0.02604% *
El Capitan Ventures, LLC	0.83334%	3.12500%	0.02604% *
Shannon C. Leonard, Trustee of the Shannon C. Leonard Child's Trust	0.83334%	3.12500%	0.02604% *
Michael Kyle Leonard, Trustee of the Michael Kyle Leonard Child's Trust	0.83333%	3.12500%	0.02604% *
Boys Club of America	2.50000%	3.12500%	0.07813% *
Kaiser-Francis Oil Company	25.00000%	3.12500%	0.78125% *
Eland Energy, Inc.	2.50000%	3.12500%	0.07813% *
Justin McClelland, Single Man	1.25000%	3.12500%	0.03906% *



James W. Marbach, married man	1.25000%	3.12500%	0.03906%
Mewbourne Oil Company	22.50000%	3.12500%	0.70313%
<b>Total:</b>	<b>100.00000%</b>	<b>3.12500%</b>	<b>3.12500%</b>

South 3/4 of NE/4SW/4 and East 5 Acres of SE/4SW/4, Cont. 35 Acres, more or less.		(35.0/320 = 10.93750%)	
	<b>WORKING INTEREST:</b>	<b>TRACT PARTICIPATION:</b>	<b>% IN THE WELL UNIT:</b>
<u>Leasehold Interest</u>			
Mewbourne Oil Company	100.00000%	10.93750%	10.93750%
<b>Total:</b>	<b>100.00000%</b>	<b>10.93750%</b>	<b>10.93750%</b>

**Total Interest Being Pooled:**  
**3.02607%**

\* Denotes Interest Being Pooled

**Summary of Communications**  
**Yardbirds "3" W2DM Fee #1H**

**Anna Pauline Swearingen:**

- 1) 6-3-2013: mailed offer to lease. Never received a response.
- 2) 2-9-2015: mailed well proposal and AFE via certified mail.
- 3) 3-9-2015: well proposal and AFE returned undeliverable/unable to forward.

**Sheryl and Craig Collins, husband and wife:**

- 1) 6-3-2013: mailed offer to lease. Never received a response.
- 2) 2-9-2015: mailed well proposal and AFE via certified mail.
- 3) 2-22-2015: received proof of delivery signed for by E.J. Kavanusk.

**Sheryl Collins, dealing in her sole and separate property:**

- 1) 6-3-2013: mailed offer to lease. Never received a response.
- 2) 2-9-2015: mailed well proposal and AFE via certified mail.
- 3) Waiting on delivery confirmation as of this date.

**Terry A. White and Carla K. White, Trustees**

**Of the Terry A. White and Carla K. White Trust dated 5-7-2014**

- 1) 6-4-2013: mailed offer to lease. Never received a response.
- 2) 2-9-2015: mailed well proposal and AFE via certified mail.
- 3) 3-7-2015: well proposal and AFE returned undeliverable/unable to forward.

**James A. Collier, III:**

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

**Gregory Collier:**

- 1) Unable to locate his mailing address and contact information.

Attachment

C

**Richard Allen Swearingen:**

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

**Melvin Rogers:**

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-27-2015: well proposal and AFE returned undeliverable/unable to forward.

**Darlene Pearson a/k/a Liana Darlene Pearson:**

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-13-2015, received proof of delivery signed for by Liana D. Pearson.
- 3) 2-25-2015: received signed lease offer letter. Sent her a bonus check & lease for execution.



Yardbirds "3" W2DM Fee #1H  
Summary of Communications  
W/2 Section 3, T24S, R28E  
Eddy County, New Mexico

Norma Gupton:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-13-2015, received proof of delivery signed for by "Gupton".
- 3) 2-25-2015: received signed lease offer letter. Sent her a bonus check & lease for execution.

Ronald Rogers:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-19-2015: received proof of delivery signed for by Ronald M. Rogers.

Marilyn Denkert:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: received proof of delivery signed for by Marilyn Denkert.

Florence Swearingen, for life, with remainder to:

1) Seniors Center of Kenesaw, Nebraska:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: received proof of delivery signed for by Carroll Burling.

2) Cemetery Association of Kenesaw, Nebraska:

- 1) Unable to locate.
- 2) Working on obtaining mailing address and contact information.

3) Hastings College:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: received proof of delivery signed for by Carolina Hall.

4) Rescue Unit, c/o Hastings Fire and Rescue:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-27-2015: received proof of delivery signed for by Rebecca Harpham.

5) Marvin L. Lundblade:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

Julie J. Martin:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

John A. Brown:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-20-2015: well proposal and AFE returned undeliverable/unable to forward.



Yardbirds "3" W2DM Fee #1H  
Summary of Communications  
W/2 Section 3, T24S, R28E  
Eddy County, New Mexico

Peggy Sue Lawson:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: well proposal and AFE returned undeliverable/unable to forward.

Tiffany Gunther:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-20-2015: well proposal and AFE returned undeliverable/unable to forward.

Linda Richardson:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-26-2015: received proof of delivery signed for by Amy Taylor.

Harry T. Richardson:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation of 2-9-2015 communication as of this date.
- 3) 2-20-2015: mailed well proposal and AFE via certified mail to a new address.
- 4) 2-26-2015: received proof of delivery of 2-20-2015 proposal signed for by Amy Taylor.

Robert D. Richardson:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-26-2015: received proof of delivery signed for by Amy Taylor.

Estate of Flora Ruiz, Deceased:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail to two (2) addresses.
- 2) 2-17-2015: received proof of delivery signed for by Alice S. Ruiz.
- 3) Waiting on delivery confirmation for the second letter as of this date (with said letter being sent to: 41718 Sultana road, Sultana, CA 93666).
- 4) 2-27-2015: Received letter from Jay Francis, attorney for Harvey Ruiz, stating disputed ownership with this interest and that this interest has not been distributed by the estate as of this date.

Anastacia R. Blanco:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 3-1-2015: received proof of delivery signed for by unknown party (illegible signature).

Bill C. Ruiz:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.



Harvey G. Ruiz:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-13-2015: received proof of delivery signed for by Alice S. Ruiz.

Lee Ann Voss Ruiz:

- 1) Unable to locate her mailing address and contact information.

Joshua Lee Ruiz:

- 2) Unable to locate his mailing address and contact information.

John Erby Ruiz:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 3-1-2015: received proof of delivery signed for by John E. Ruiz.

John Bill Ruiz:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 3-3-2015: received proof of delivery signed for by John Billy Ruiz.

Dela Inez Masterpolito:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

Erma Lee Garcia:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

Mary Jane Ruiz:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

Michael Kyle Leonard Child's Trust:

- 1) 2-13-2015: mailed well proposal and AFE via certified mail.
- 2) 2-20-2015: received proof of delivery signed for by Michael K. Leonard.

Boys Club of America:

- 1) 2-9-2015: mailed well proposal and AFE via certified mail.
- 2) 2-14-2015: received proof of delivery signed for by Janice Lewis.

Pamela Ray Cummings:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-17-2015: well proposal and AFE returned undeliverable/unable to forward.



Patricia Gae Stamps:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: received proof of delivery signed for by Benny L. (last name illegible).
- 3) 2-24-2015: received an email from Mrs. Stamps stating her address had changed, but she was in receipt of my proposal and AFE.

John W. Osborn:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-26-2015: received proof of delivery signed for by John W. Osborn.

Sue Osborn Powell, f/k/a Sue Osborn:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: received proof of delivery signed for by Sue P. Powell.

Mary Camille Hall:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: received proof of delivery signed for by Mary Hall.

Virginia Lee Davis:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: well proposal and AFE returned undeliverable/unable to forward.

LBD, a Limited Partnership:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-17-2015: well proposal and AFE returned undeliverable/unable to forward.

Irma J. Gregory, Personal Representative of

The Estate of Bonnie R. Gregory:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-7-2015: received proof of delivery signed for by Irma Gregory.

Irma J. Gregory, Individually:

- 1) 2-4-2015: included her as an affected party in the same letter as above.
- 2) 2-7-2015: received proof of delivery signed for by Irma Gregory.

Thomas W. Gregory:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-14-2015: received proof of delivery signed for by Tom "Gg" (last name signed illegible).

William E. Gregory:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

Estate of Stanley J. Gregory:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-17-2015: well proposal and AFE returned undeliverable/unable to forward.

Clarence W. Ervin:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-7-2015: received proof of delivery signed for by C.W. Ervin.

Brian L. McGonagill and wife, Shirley C.:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-7-2015: received proof of delivery signed for by Brian McGonagill.

Chasity Garza:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-10-2015: first proposal returned undeliverable/unable to forward.
- 3) 2-20-2015: mailed well proposal and AFE via certified mail to new address.
- 4) Waiting on delivery confirmation as of this date.

Mary Jo Beeman Dickerson:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-12-2015: well proposal and AFE returned undeliverable/unable to forward.

Panagopoulos Enterprises:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) Waiting on delivery confirmation as of this date.

Klipstine & Hanratty:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-17-2015: received proof of delivery signed for by unknown person (signature illegible).

John E. Hall, III:

- 1) Unable to locate his mailing address and contact information.

Nevill Manning:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-7-2015: received proof of delivery signed for by D. Kemp (illegible signature).

Nolan Greak:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-7-2015: received proof of delivery signed for by Renee G.

Louis M. Ratliff and Mary D. Ratliff, his wife:

- 1) 2-20-2015: mailed well proposal and AFE via certified mail.
- 2) 2-24-2015: received proof of delivery signed for by Louis M. Ratliff.
- 3) 2-24-2015: received email from Mr. Ratliff stating he is agreeable to lease, if the convoluted mineral interest is judicially determined.



Yardbirds "3" W2DM Fee #1H  
Summary of Communications  
W/2 Section 3, T24S, R28E  
Eddy County, New Mexico

Eland Energy, Inc.:

- 1) 2-4-2015: mailed well proposal and AFE via certified mail.
- 2) 2-6-2015: Spoke with Kyle Paxton regarding the leasehold ownership that they would be participating with. Upon further title review, noticed that some of their leasehold interest was taken upon a convoluted mineral interest owner.
- 3) 2-7-2015: received proof of delivery signed for by unknown person (illegible signature).
- 4) 3-2-2015: Emailed Mr. Paxton Davis informing him of the convoluted mineral interest which Eland Energy, Inc. took an oil and gas lease upon. Sent the revised proposal via email and certified mail.
- 5) Waiting on delivery confirmation for the revised proposal as of this date.

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

June 3, 2013

Anna Pauline Swearingen  
512 Cedar Street  
Concordia, Kansas 66901

Re: MOC's Yardbirds "3" Prospect  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Swearingen:

Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned land for Delaware, Bone Spring, and Wolfcamp oil production. Eddy County records indicate you own some unleased minerals in the N/2NE/4NW/4 of the captioned Section 3 (aka Malaga Tract #65 & 66). The total unleased net acres that you own according to our records are .2083 net acres.

Regarding the above, Mewbourne hereby offers you \$750.00 per net acre for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest. This offer is available for your immediate acceptance and approval of title.

If you are agreeable to the above terms, please acknowledge such acceptance by signing and returning the copy of this letter in the postage paid envelope provided for your convenience in returning same. Upon receipt of same I will forward you an Oil and Gas Lease for execution with our check for the lease bonus payment.

Sincerely,

MEWBOURNE OIL COMPANY



Brooks Sitka  
Land Department

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of June, 2013.

\_\_\_\_\_  
ANNA PAULINE SWEARINGEN

Tax I.D. # \_\_\_\_\_



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Anna Pauline Swearingen  
512 Cedar Street  
Concordia, Kansas 66901

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Swearingen:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 1.04167% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.06150% working interest in the well ( $1.04167\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.06510\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$156.25 representing our lease bonus consideration ( $0.20833 \text{ net acres} \times \$750 \text{ per net acre} = \$156.25$ ).

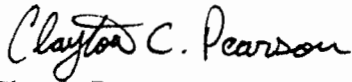
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Anna Pauline Swearingen  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**ANNA PAULINE SWEARINGEN**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



USPS CERTIFIED MAIL™

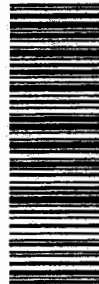
Newbourne Oil Company  
Clayton Pearson  
500 W. Texas  
Ste 1020  
Midland TX 79701-4279  
Verifies 3 WZMD 1H 1P

*Notified  
8-13-14  
2-13-14*

certified Mail

rag

USPS CERTIFIED MAIL



9414 8106 9994 5007 8906 41

Anna Pauline Sweanngen  
512 Cedar ST  
CONCORDIA KS 66901-2112

NIXIE

669011021-1N 040 03/04/15

RETURN TO SENDER  
UNABLE TO FORWARD  
RETURN TO SENDER

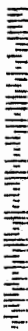


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endicia.com



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

June 3, 2013

Craig Collins &  
Sheryl Johnson Collins  
3209 SW Belle Ave.  
Topeka, Kansas 66614

Re: MOC's Yardbirds "3" Prospect  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. & Mrs. Collins:

Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned land for Delaware, Bone Spring, and Wolfcamp oil production. Eddy County records indicate you own some unleased minerals in the N/2NE/4NW/4 of the captioned Section 3 (aka Malaga Tract #65 & 66). The total unleased net acres that you own according to our records are .1042 net acres.

Regarding the above, Mewbourne hereby offers you \$750.00 per net acre for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest. This offer is available for your immediate acceptance and approval of title.

If you are agreeable to the above terms, please acknowledge such acceptance by signing and returning the copy of this letter in the postage paid envelope provided for your convenience in returning same. Upon receipt of same I will forward you an Oil and Gas Lease for execution with our check for the lease bonus payment.

Sincerely,

**MEWBOURNE OIL COMPANY**



Brooks Sitka  
Land Department

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of June, 2013.

\_\_\_\_\_  
**CRAIG COLLINS**

Tax I.D. # \_\_\_\_\_



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Mr. and Mrs. Craig Collins  
3209 SW Belle Ave.  
Topeka, Kansas 66614

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. and Mrs. Collins:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.52083% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.03255% working interest in the well ( $0.52083\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.03255\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$78.13 representing our lease bonus consideration ( $0.10417 \text{ net acres} \times \$750 \text{ per net acre} = \$78.13$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Mr. and Mrs. Craig Collins  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**SHERYL JOHNSON COLLINS**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_

**CRAIG COLLINS**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_



Date: February 22, 2015

Simple Certified:

The following is in response to your February 22, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007890702. The delivery record shows that this item was delivered on February 21, 2015 at 11:07 am in TOPEKA, KS 66614. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section  
EJ Kavanagh  
EJ KAVANAGH

Address of Recipient :

6021 SW 27th St SEA 66614

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. and Mrs. Craig Collins  
3209 SW Belle Ave  
Topeka, KS 66614  
Reference #: Yardbirds 3 W2MD 1H cp



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

June 3, 2013

Sheryl A. Collins  
3242 NW 43<sup>rd</sup> Street  
Topeka, Kansas 66618

Re: MOC's Yardbirds "3" Prospect  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Collins:

Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned land for Delaware, Bone Spring, and Wolfcamp oil production. Eddy County records indicate you own some unleased minerals in the N/2NE/4NW/4 of the captioned Section 3 (aka Malaga Tract #65 & 66). The total unleased net acres that you own according to our records are .1042 net acres.

Regarding the above, Mewbourne hereby offers you \$750.00 per net acre for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest. This offer is available for your immediate acceptance and approval of title.

If you are agreeable to the above terms, please acknowledge such acceptance by signing and returning the copy of this letter in the postage paid envelope provided for your convenience in returning same. Upon receipt of same I will forward you an Oil and Gas Lease for execution with our check for the lease bonus payment.

Sincerely,

MEWBOURNE OIL COMPANY



Brooks Sitka  
Land Department

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of June, 2013.

\_\_\_\_\_  
SHERYL A. COLLINS

Tax I.D. # \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Mrs. Sheryl A. Collins  
3209 SW Belle Ave.  
Topeka, Kansas 66614

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mrs. Collins:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.52083% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.03255% working interest in the well ( $0.52083\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.03255\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$78.13 representing our lease bonus consideration ( $0.10417 \text{ net acres} \times \$750 \text{ per net acre} = \$78.13$ ).

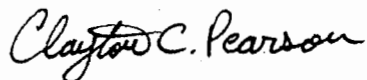
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Sheryl Collins, DSSP  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**SHERYL A. COLLINS, DSSP**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

June 4, 2013

Terry and Carla White  
P.O. Box 27  
Tunkawa, Oklahoma 74653

Re: MOC's Yardbirds "3" Prospect  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. and Mrs. White:

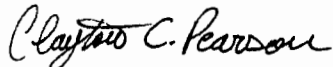
Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned land for Delaware, Bone Spring, and Wolfcamp oil production. Eddy County records indicate you own some unleased minerals in the N/2NE/4NW/4 (aka Malaga Tracts #65 & 66) of the captioned Section 3. The total unleased net acres that you own according to our records are 0.4166 net acres.

Regarding the above, Mewbourne hereby offers you \$750.00 per net acre for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest. This offer is available for your immediate acceptance and approval of title.

If you are agreeable to the above terms, please acknowledge such acceptance by signing and returning the copy of this letter in the postage paid envelope provided for your convenience in returning same. Upon receipt of same I will forward you an Oil and Gas Lease for execution with our check for the lease bonus payment.

Sincerely,

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of June, 2013.

\_\_\_\_\_  
TERRY A. WHITE

Tax I.D. # \_\_\_\_\_

\_\_\_\_\_  
CARLA WHITE

Tax I.D. # \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

Via Certified Mail

Mr. and Mrs. Terry A. White  
P.O. Box 27  
Tunkawa, Oklahoma 74653

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. and Mrs. White:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 2.08333% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.13021% working interest in the well ( $2.08333\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.13021\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$312.50 representing our lease bonus consideration ( $0.41667 \text{ net acres} \times \$750 \text{ per net acre} = \$312.50$ ).

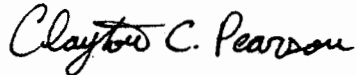
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Terry A. White and Carla K. White Trust  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**TERRY A. WHITE AND CARLA K. WHITE, TRUSTEES  
OF THE TERRY A. WHITE AND CARLA K. WHITE TRUST  
DATED 5-7-2014**

\_\_\_\_\_  
Terry A. White, Trustee

Tax ID #: \_\_\_\_\_

\_\_\_\_\_  
Carla K. White, Trustee



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Mewbourne Oil Company  
Clayton Pearson  
500 W. Texas  
Ste 1020  
MIDLAND TX 79701-4279  
Yardbird 3 W2MD 1H cp

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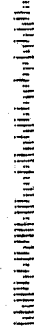
9414 8106 9994 5007 8907 57

Mr. and Mrs. Terry A. White  
PO BOX 27  
TONKAWA OK 74653-0027

ACS  
A/C

NIXIE 746532005-1N 040 02/19/15

RETURN TO SENDER  
ATTEMPTED - NOT KNOWN  
UNABLE TO FORWARD  
RETURN TO SENDER



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

James A. Collier, III  
P.O. Box 63  
Elgin, Oklahoma 73538

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Collier:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.6250% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.03906 % working interest in the well ( $0.6250\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.03906\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$93.75 representing our lease bonus consideration ( $0.1250 \text{ net acres} \times \$750 \text{ per net acre} = \$93.75$ ).

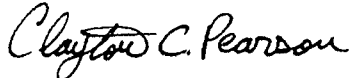
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

James A. Collier, III  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**JAMES A. COLLIER, III**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Richard Allen Swearingen  
3444 NE Happy Hollow Road  
Topeka, Kansas 66617-3529

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Swearingen:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.52083% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.03255% working interest in the well ( $0.52083\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.03255\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$78.13 representing our lease bonus consideration ( $0.10417 \text{ net acres} \times \$750 \text{ per net acre} = \$78.13$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Richard Allen Swearingen  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**RICHARD ALLEN SWEARINGEN**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

Via Certified Mail

Melvin P. Rogers  
3104 E. Broadway, Space 108  
Mesa, Arizona 85204

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Rogers:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.39062% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02441 % working interest in the well ( $0.39062\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02441 \% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$58.59 representing our lease bonus consideration ( $0.07812 \text{ net acres} \times \$750 \text{ per net acre} = \$58.59$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Melvin P. Rogers  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**MELVIN P. ROGERS**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



USPS CERTIFIED MAIL™

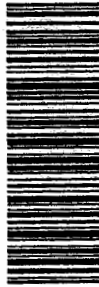
Newbourne Oil Company  
Clayton Pearson  
500 W. Texas  
Ste 1020  
MIDLAND TX 79701-4279  
Yardwell 3 W2MD 1H cp

US POSTAGE AND FEES PAID  
FIRST CLASS  
Feb 09 2015  
Mailed from ZIP 79701  
1 oz First Class Mail  
Rate Rule  
CID: 56133



071500534813

USPS CERTIFIED MAIL



9414 8106 9994 5007 8911 29

Melvin P. Rogers  
3104 E BROADWAY RD LOT 108  
MESA AZ 85204-1711

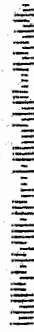
NIXIE

852042003-IN 040 02/27/15

RETURN TO SENDER  
ATTEMPTED - NOT KNOWN  
UNABLE TO FORWARD  
RETURN TO SENDER



*APKX*  
*NV*  
*2-13-15*  
*2-15*



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

**Via Certified Mail**

Liana Darlene Pearson  
1107 Oakmont Street  
Hays, Kansas 67601-1823

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Pearson:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.39062% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02441 % working interest in the well ( $0.39062\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02441 \% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$58.59 representing our lease bonus consideration ( $0.07812 \text{ net acres} \times \$750 \text{ per net acre} = \$58.59$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Liana Darlene Pearson  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**LIANA DARLENE PEARSON**

*Liana Darlene Pearson*  
Signed

Tax ID #: 510-38-0255



Date: February 13, 2015

Simple Certified:

The following is in response to your February 13, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007891150. The delivery record shows that this item was delivered on February 13, 2015 at 10:44 am in HAYS, KS 67601. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Location  
no  
Liana D. Pearson  
id  
Liana D. Pearson

Address of Recipient :

NY  
100  
1107 Oakmont

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Liana Pearson  
1107 Oakmont ST  
Hays, KS 67601  
Reference #: Yardbirds 3 W2MD 1H cp



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 25, 2015

Liana Darlene Pearson  
1107 Oakmont Street  
Hays, Kansas 67601-1823

Re: MOC's Yardbirds "3" Prospect  
Section 3, T23S, R28E  
Eddy County, New Mexico

Dear Ms. Pearson:

Enclosed for your further handling is our Oil and Gas Lease form covering your undivided 0.39062% ownership (0.07812 net acres) in the N/2NE/4NW/4 (AKA Malaga Tracts #65 & 66) of Section 3, T23S, R28E, Eddy County, New Mexico. Please sign the lease in front of a notary public and return to me using the enclosed postage paid envelope.

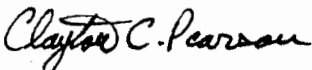
Also enclosed for your further handling is Check No. 229632, dated February 24, 2015, drafted in the amount of \$58.59, which represents the lease bonus payment for the above described mineral interest (0.39062% Ownership x 20.0 Gross Acres = 0.07812 Net Acres x \$750 Per Net Acre = \$58.59).

Lastly, I have enclosed a W-9 Form that must be completed by all royalty owners. Please complete the enclosed W-9 Form and return to me along with the executed Oil and Gas Lease.

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432)682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

  
Clayton Pearson  
Landman

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

Via Certified Mail

Norma Jeaneane Gupton  
1902 Moody Court  
Arlington, Texas 76102-2031

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Norma:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.39062% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02441 % working interest in the well ( $0.39062\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02441 \% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$58.59 representing our lease bonus consideration ( $0.07812 \text{ net acres} \times \$750 \text{ per net acre} = \$58.59$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Norma Jeaneane Gupton  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**NORMA JEANEANE GUPTON**

*Norma Jeaneane Gupton*  
Signed

Tax ID #: 515-42-9612



Date: February 13, 2015

Simple Certified:

The following is in response to your February 13, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007891006. The delivery record shows that this item was delivered on February 12, 2015 at 10:31 am in ARLINGTON, TX 76012. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery location  
Signature of Recipient :  
Gupton

Address of Recipient :

Address of Recipient :  
1902 Moody

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Norma Jeaneane Gupton  
1902 MOODY CT  
ARLINGTON, TX 76012  
Reference #: Yardbirds 3 W2MD 1H cp

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 25, 2015

Norma Jeneane Gupton  
1902 Moody Court  
Arlington, Texas 76102-2031

Re: MOC's Yardbirds "3" Prospect  
Section 3, T23S, R28E  
Eddy County, New Mexico

Dear Ms. Gupton:

Enclosed for your further handling is our Oil and Gas Lease form covering your undivided 0.39062% ownership (0.07812 net acres) in the N/2NE/4NW/4 (AKA Malaga Tracts #65 & 66) of Section 3, T23S, R28E, Eddy County, New Mexico. Please sign the lease in front of a notary public and return to me using the enclosed postage paid envelope.

Also enclosed for your further handling is Check No. 229633, dated February 24, 2015, drafted in the amount of \$58.59, which represents the lease bonus payment for the above described mineral interest (0.39062% Ownership x 20.0 Gross Acres = 0.07812 Net Acres x \$750 Per Net Acre = \$58.59).

Lastly, I have enclosed a W-9 Form that must be completed by all royalty owners. Please complete the enclosed W-9 Form and return to me along with the executed Oil and Gas Lease.

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432)682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

*Clayton C. Pearson*  
Clayton Pearson  
Landman



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

**Via Certified Mail**

Ronald Melvin Rogers  
19955 Indian Summer Lane  
Monument, Colorado 80132-9414

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ronald:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.39062% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02441 % working interest in the well ( $0.39062\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02441 \% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$58.59 representing our lease bonus consideration ( $0.07812 \text{ net acres} \times \$750 \text{ per net acre} = \$58.59$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.




Date: February 19, 2015

Simple Certified:

The following is in response to your February 19, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007890788. The delivery record shows that this item was delivered on February 18, 2015 at 4:40 pm in MONUMENT, CO 80132. The scanned image of the recipient information is provided below.

Signature of Recipient :

  
Ronald M. Rogers

Address of Recipient :

19955 INDIAN  
SUMMER LN

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Ronald Melvin Rogers  
19955 Indian Summer LN  
Monument, CO 80132  
Reference #: Yardbirds 3 W2MD 1H cp

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Marilyn Denkert  
1330 S. 156<sup>th</sup> Court, Apt. 108  
Omaha, Nebraska 68130-2575

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Denkert:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.07813% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.00488% working interest in the well ( $0.07813\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.00488\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$11.73 representing our lease bonus consideration ( $0.01563 \text{ net acres} \times \$750 \text{ per net acre} = \$11.73$ ).


If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Marilyn Denkert  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

  
Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**MARILYN DENKERT**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_



Date: February 24, 2015

Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118089. The delivery record shows that this item was delivered on February 23, 2015 at 3:12 pm in OMAHA, NE 68130. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	<input checked="checked" type="checkbox"/>	<i>Marilyn Denkert</i>
Printed Name		Marilyn Denkert

Address of Recipient :

Delivery Address	1330 S 156 CT 108
------------------	-------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Marilyn Denkert  
1330 S 156TH CT APT 108  
OMAHA, NE 68130  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Seniors Center of Kenesaw, NE  
110 W. Maple Avenue  
Kenesaw, Nebraska 68956

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.03907% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.00244 % working interest in the well ( $0.03907\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.00244\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$5.72 representing our lease bonus consideration ( $0.00781 \text{ net acres} \times \$750 \text{ per net acre} = \$5.72$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Seniors Center of Kenesaw, NE  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**SENIORS CENTER OF KENESAW, NEBRASKA**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

By: \_\_\_\_\_  
Name Printed

As: \_\_\_\_\_  
Position



Date: February 24, 2015

Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118331. The delivery record shows that this item was delivered on February 24, 2015 at 1:17 pm in KENESAW, NE 68956. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
re	Carroll Burling
d	Carroll Burling

Address of Recipient :

y is	PO Box 95
---------	-----------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Seniors Center of Kenesaw, NE  
100 E MAPLE ST  
KENESAW, NE 68956  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Hastings College  
710 Turner Avenue  
Hastings, Nebraska 68901

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.11719% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.00733% working interest in the well ( $0.11719\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.00733\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$17.58 representing our lease bonus consideration ( $0.02344 \text{ net acres} \times \$750 \text{ per net acre} = \$17.58$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Hastings College  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

HASTINGS COLLEGE

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

By: \_\_\_\_\_  
Name Printed

As: \_\_\_\_\_  
Position



Date: February 24, 2015

Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008117907. The delivery record shows that this item was delivered on February 23, 2015 at 9:34 am in HASTINGS, NE 68901. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section  
Carolina Hall

Address of Recipient :

710 N Turner

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Hastings College  
710 N TURNER AVE  
HASTINGS, NE 68901  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Rescue Unit  
c/o City of Hastings Fire & Rescue  
1313 North Hastings Ave.  
Hastings, Nebraska 69801

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.19531% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.01221% working interest in the well (0.19531% interest X 20.0 net acres / 320.00 gross acres = 0.01221% interest in the Well).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$29.30 representing our lease bonus consideration (0.03906 net acres X \$750 per net acre = \$29.30).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Rescue Unit  
c/o City of Hastings Fire & Rescue  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**RESCUE UNIT**  
**c/o CITY OF HASTINGS FIRE & RESCUE**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

By: \_\_\_\_\_  
Name Printed

As: \_\_\_\_\_  
Position

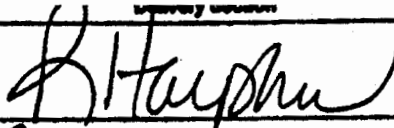


Date: February 27, 2015

Simple Certified:

The following is in response to your February 27, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118232. The delivery record shows that this item was delivered on February 27, 2015 at 9:53 am in HASTINGS, NE 68901. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	
Printed Name	Rebecca Hardham

Address of Recipient :

Delivery Address	
------------------	--

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

c/o City of Hastings Fire & Rescue  
Rescue Unit  
1313 N HASTINGS AVE  
HASTINGS, NE 68901  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Marvin L. Lundblade  
527 E. Clackamas Circle  
Woodburn, Oregon 97071-4409

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Marvin:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.78125% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.04883% working interest in the well ( $0.78125\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.04883\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$117.19 representing our lease bonus consideration ( $0.15625 \text{ net acres} \times \$750 \text{ per net acre} = \$117.19$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Marvin L. Lundblade  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**MARVIN L. LUNDBLADE**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Julie J. Martin  
P.O. Box 10911  
Southport, North Carolina 28461

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Julie:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 2.08333% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.13021% working interest in the well (2.08333% interest X 20.0 net acres / 320.00 gross acres = 0.13021% interest in the Well).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$312.50 representing our lease bonus consideration (0.41667 net acres X \$750 per net acre = \$312.50).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

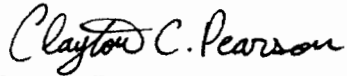


Julie J. Martin  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**JULIE J. MARTIN, DSSP**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

John A. Brown  
3669 Seneca Circle  
Las Vegas, Nevada 89109

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear John:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.31250% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.01953% working interest in the well ( $0.31250\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.01953\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$46.88 representing our lease bonus consideration ( $0.0625 \text{ net acres} \times \$750 \text{ per net acre} = \$46.88$ ).

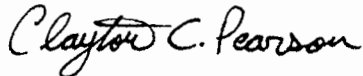
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

John A. Brown  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**JOHN A. BROWN**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_

# USPS CERTIFIED MAIL™

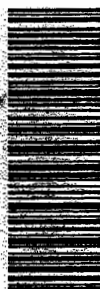
Mewbourne Oil Company  
Clayton Pearson  
500 W. Texas  
Ste 1020  
MIDLAND TX 79701-4279  
Vendor 3 W2M0 1H sp

US POSTAGE AND FEES PAID  
FIRST CLASS  
Feb 09 2015  
Mailed from ZIP 79701  
1 oz First Class Mail  
Postage  
CID: 96133



071500534813

USPS CERTIFIED MAIL

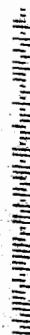
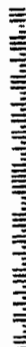


9414 8106 9994 5007 8912 28

John A. Brown  
3669 SENECA CIR  
LAS VEGAS NV 89169-3135

NIXIE 891692012-IN 040 02/20/15

RETURN TO SENDER  
ATTEMPTED - NOT KNOWN  
UNABLE TO FORWARD  
RETURN TO SENDER



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

Via Certified Mail

Peggy Sue Lawson  
18395 W. FM 2790  
Lytle, Texas 78052

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Peggy:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.31250% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.01953% working interest in the well ( $0.31250\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.01953\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$46.88 representing our lease bonus consideration ( $0.0625 \text{ net acres} \times \$750 \text{ per net acre} = \$46.88$ ).

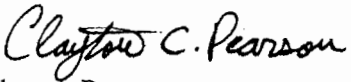
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Peggy Sue Lawson  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

  
Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**PEGGY SUE LAWSON**

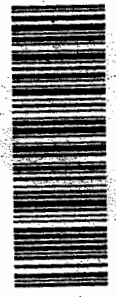
\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

USPS CERTIFIED MAIL™

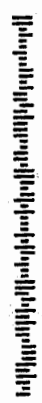
Mewbourne Oil Company  
Clayton Pearson  
500 W. Texas  
Ste 1020  
MIDLAND TX 79701-4278  
Verdine 3 W240 TH ep

USPS CERTIFIED MAIL

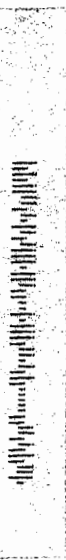


9414 8106 9994 5007 8909 48

Peggy Sue Lawson  
18395 W FM 2790 S  
LYTLE TX 78052-4524



US POSTAGE AND FEES PAID  
FIRST CLASS  
Feb 09 2015  
Mailed from ZIP 79701  
1 cc First Class Mail  
Post Date  
C02, 56133  
071500634813  
endicia.com



certified Mail





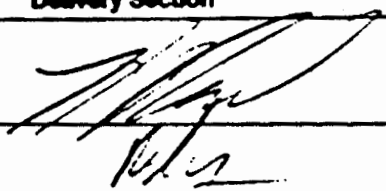
Date: February 24, 2015

Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007890948. The delivery record shows that this item was delivered on February 23, 2015 at 2:16 pm in MIDLAND, TX 79701. The scanned image of the recipient information is provided below.


Signature of Recipient :

Delivery Section

A handwritten signature in black ink, appearing to be "Peggy Sue Lawson", written over a horizontal line. To the left of the signature, there are two small vertical lines, one labeled "no" and the other "i".

Address of Recipient :

Y  
E

A handwritten address in black ink, appearing to be "500 Texas", written over a horizontal line.

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Peggy Sue Lawson  
18395 W FM 2790 S  
LYTLE, TX 78052  
Reference #: Yardbirds 3 W2MD 1H cp

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

Via Certified Mail

Tiffany Gunther  
16702 East 49<sup>th</sup> Place  
Tulsa, Oklahoma 74134

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Tiffany:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.31250% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.01953% working interest in the well ( $0.31250\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.01953\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$46.88 representing our lease bonus consideration ( $0.0625 \text{ net acres} \times \$750 \text{ per net acre} = \$46.88$ ).

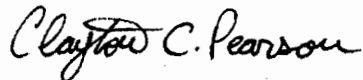
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Tiffany Gunther  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**TIFFANY GUNTHER, DSSP**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_

# USPS CERTIFIED MAIL™

Newbourne Oil Company  
Clayton Pearson  
500 W. Texas  
Ste 1020  
MIDLAND, TX 79701-4279  
Verdara 3 W2MD 1H op

US POSTAGE AND FEES PAID  
FIRST CLASS  
Feb 09 2015  
Mailed from ZIP 79701  
1 oz First Class Mail  
Folio Rate  
CID: 96133



USPS CERTIFIED MAIL



9414 8106 9994 5007 8906 03

Tiffany Gunther

☐ UNDELIVERABLE AS ADDRESSED  
☐ ATTEMPTED NOT KNOWN  
☐ INSUFFICIENT ADDRESS  
☐ NO MAIL RECEIPTABLE  
☐ TEMPORARILY AWAY  
☐ NO SUCH NUMBER ☐ REFUSED  
☐ NO SUCH STREET ☐ VACANT  
☐ IN DISPUTE ☐ ILLEGIBLE  
☐ BOX CLOSED ☐ UNCLAIMED  
☐ RETURN TO SENDER ☐ RETURN TO FORWARD



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

Via Certified Mail

Linda Richardson  
13363 E. Asbury Drive, Apt. 104  
Aurora, Colorado 80014-6551

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Linda:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.07813% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.00488% working interest in the well ( $0.07813\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.00488\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$11.73 representing our lease bonus consideration ( $0.01563 \text{ net acres} \times \$750 \text{ per net acre} = \$11.73$ ).

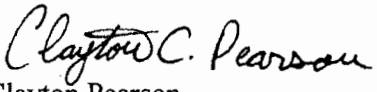
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Linda Richardson  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

  
Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**LINDA RICHARDSON, A WIDOW**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



Date: February 26, 2015

Simple Certified:

The following is in response to your February 26, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118034. The delivery record shows that this item was delivered on February 25, 2015 at 12:39 pm in AURORA, CO 80014. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	X Amy Taylor
Printed Name	Amy Taylor

Address of Recipient :

Delivery Address	13363 E. Asbury Dr #104
------------------	-------------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Linda Richardson  
13363 E ASBURY DR APT 104  
AURORA, CO 80014  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Harry T. Richardson  
5615 East 39 Terrace  
Kansas City, Missouri 64130

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Harry:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.11719% interest in the N/2NE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.00733% working interest in the well ( $0.11719\% \text{ interest} \times 20.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.00733\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$17.58 representing our lease bonus consideration ( $0.02344 \text{ net acres} \times \$750 \text{ per net acre} = \$17.58$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.



Harry T. Richardson  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**HARRY T. RICHARDSON, DSSP**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Harry T. Richardson  
13363 E. Asbury Drive, Apt. 104  
Aurora, Colorado 80014-6551

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Harry:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.11719% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.00733% working interest in the well (0.11719% interest X 20.0 net acres / 320.00 gross acres = 0.00733% interest in the Well).

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Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$17.58 representing our lease bonus consideration (0.02344 net acres X \$750 per net acre = \$17.58).

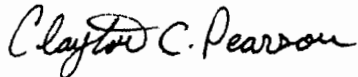
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Harry T. Richardson  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**HARRY T. RICHARDSON**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



Date: February 26, 2015

Simple Certified:

The following is in response to your February 26, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008117518. The delivery record shows that this item was delivered on February 26, 2015 at 1:12 pm in AURORA, CO 80014. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	X	Amy Taylor
Printed Name		Amy Taylor

Address of Recipient :

Delivery Address	13363 E Asbury Dr #104
------------------	------------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Harry T. Richardson  
13363 E ASBURY DR APT 104  
AURORA, CO 80014  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Robert D. Richardson  
13363 E. Asbury Drive, Apt. 104  
Aurora, Colorado 80014-6551

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Robert:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.11719% interest in the N/2NE/4SW/4 of the above captioned Section 3. Accordingly, you would own a 0.00733% working interest in the well (0.11719% interest X 20.0 net acres / 320.00 gross acres = 0.00733% interest in the Well).

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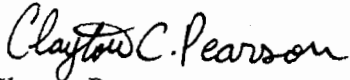
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Robert D. Richardson  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**ROBERT D. RICHARDSON**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



Date: February 26, 2015

Simple Certified:

The following is in response to your February 26, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118270. The delivery record shows that this item was delivered on February 26, 2015 at 1:12 pm in AURORA, CO 80014. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	X   Amy Taylor
Printed Name	Amy Taylor

Address of Recipient :

Delivery Address	13363 E, Asbury Dr #104
------------------	-------------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Robert D. Richardson  
13363 E ASBURY DR APT 104  
AURORA, CO 80014  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Estate of Flora Ruiz  
Attn: Harvey G. Ruiz  
P.O. Box 111  
Malaga, New Mexico

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Ruiz:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, the Estate of Flora Ruiz, deceased ("the Estate"), owns 25.0% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, the Estate would own a 0.78125% working interest in the well (25.0% interest X 10.0 net acres / 320.00 gross acres = 0.78125% interest in the Well).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please advise so that I may prepare and send you our lease form for execution.

If you decide not to participate in the well or lease your mineral interest to Mewbourne, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.



Estate of Flora Ruiz  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**ESTATE OF FLORA RUIZ, DECEASED**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Estate of Flora Ruiz  
Attn: Bill C. Ruiz  
41718 Sultana Road  
Sultana, California 93666

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Ruiz:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, the Estate of Flora Ruiz, deceased ("the Estate"), owns 25.0% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, the Estate would own a 0.78125% working interest in the well (25.0% interest X 10.0 net acres / 320.00 gross acres = 0.78125% interest in the Well).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please advise so that I may prepare and send you our lease form for execution.

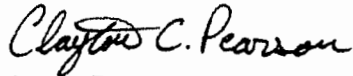
If you decide not to participate in the well or lease your mineral interest to Mewbourne, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Estate of Flora Ruiz  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**ESTATE OF FLORA RUIZ, DECEASED**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_




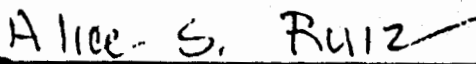
UNITED STATES  
POSTAL SERVICE

Date: February 17, 2015

Simple Certified:

The following is in response to your February 17, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007891464. The delivery record shows that this item was delivered on February 17, 2015 at 12:43 pm in MALAGA, NM 88263. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature of Recipient :	
	

Address of Recipient :

Address of Recipient :	
------------------------	--

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Harvey G. Ruiz  
Estate of Flora Ruiz  
PO Box 111  
Malaga, NM 88263  
Reference #: Yardbirds 3 W2MD 1H cp

**CARAWAY, TABOR AND BYERS, L.L.P.**  
ATTORNEYS AND COUNSELORS AT LAW

JOHN M. CARAWAY  
CAS TABOR  
MATTHEW T. BYERS

BUJAC BUILDING, 112 NORTH CANYON  
P. O. BOX 1718  
CARLSBAD, NEW MEXICO 88221-1718

TELEPHONE: (575) 885-4171  
FAX: (575) 885-1963  
WWW.MCCORMICKLAWFIRM.NET

SUSAN CUDDY-MOORE  
JAY L. FRANCIS

February 27, 2015

Mr. Clayton Pearson, Landman  
Mewbourne Oil Company  
500 W. Texas, Suite 1020  
Midland, Texas 79701

Via Facsimile  
432-685-4170

Re: Yardbirds "3" W2DM Fee# 1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Pearson:

We have been contacted by Harvey Ruiz in regards to this matter. Mr. Ruiz has brought in to me a couple of letters he received from Mewbourne Oil Company. In reviewing these letters, there are some questions we have about ownership and percentages. However the general idea is that we are more than willing to lease the minerals owned Mr. Ruiz and hope to enter into a lease agreement at this late date.

I am attaching a mineral ownership report that appears to have been prepared by Western Realty Resources, LLC. I have been informed by Mr. Ruiz that this was delivered to him over a year ago. In this letter the ownership report shows that Mr. Ruiz owns 8.33% of the 10 acres described. In your letter of February 9<sup>th</sup>, you allege that Mr. Ruiz owns 4.166%. We are concerned about why there is difference in this percentage. Mr. Ruiz also received the letter regarding the Estate of Flora Ruiz. Flora Ruiz was Mr. Ruiz' grandmother but she died many years ago and this property flowed through his grandfather which ultimately flowed down to him and his aunts and father. In the original mineral ownership report, part of the ownership is owned Juan G. Ruiz which is the father of Harvey Ruiz. Mr. Ruiz' father has passed away and those minerals should be distributed, hopefully, by the personal representative soon.

I have also attached for your information a warranty deed for various properties here in Eddy County and if you will notice one of the descriptions at the very bottom of the list is for parcel of land described in this proposed well site.

We are wondering if Mewbourne Oil Company would be willing to enter into a lease agreement for the portion of the minerals owned by Mr. Ruiz at \$1,000.00 per net mineral acre and a 1/5 override royalty. I have also been instructed that I can negotiate a similar arrangement for Billie C. Ruiz, which is Mr. Harvey Ruiz' twin brother. Billie C. Ruiz has contact my office and also requested that I work with him in getting this matter resolved.

Therefore, the issue we are hoping to resolve is to get this matter now placed back under a lease. We also need to resolve the issue of whether or not there is an ownership interest by the Estate of Flora Ruiz or if that matter has been resolved by the Warranty Deed of June 1980 that I have enclosed.

One issue that my clients do want to discuss is whether or not the well its self will be located upon the land located on the land owned by the Ruiz family. If the well is being drilled upon the 1 acres owned by Mr. Ruiz and his family we would also like to discuss surface damage compensation. I look forward to working with you in this matter.

Sincerely,



Jay Francis

JF/jk  
Enclosure(s)  
xc: Client

436

WARRANTY DEED

The Carlsbad National Bank by CHARLES A. STORM, Personal Representative of the Estate of GUILLERMO V. RUIZ, deceased, for consideration, paid, grants to Esmera R. Carrasco, Anastacia R. Blanco, Bill C. Ruiz, Harvey C. Ruiz, Juan G. Ruiz, and Maria R. Hernandez, as tenants in common, the following described real estate in Eddy County, New Mexico:

The S/2 NW/4 of SW/4 of SW/4 of Section 35, Township 23 South, Range 28 East, Eddy County, New Mexico; SA

The W/2 NW/4 of SW/4 of SW/4 of Section 10, Township 24 South, Range 28 East, Eddy County, New Mexico;

Lots 13 and 14, Block 45 in Malaga Township, Eddy County, New Mexico;

The N/2 NW/4 SE/4 SE/4 of Section 13, Township 24 South, Range 28 East, Eddy County, New Mexico; SA

The SW/4 SW/4 of Section 11, Township 24 South, Range 28 East, Eddy County, New Mexico; 40 none

The NE/4 SE/4 NW/4 of Section 3, Township 24 South, Range 28 East, Eddy County, New Mexico

with warranty covenants.

WITNESS my hand and seal this 6th day of June, 1980.

THE CARLSBAD NATIONAL BANK

ATTEST:

[Signature]  
Vice President & Cashier

By

[Signature]  
CHARLES A. STORM, Personal Representative of the Estate of Guillermo V. Ruiz

STATE OF NEW MEXICO )

: ss.

COUNTY OF EDDY )

Western Realty Resources, Llc  
P.O. Box 1040, Carlsbad, NM  
(575)706-4533

**MINERAL OWNERSHIP REPORT**

**TOWNSHIP 24 SOUTH, 28 RANGE EAST, N.M.P.M.**

**Section 3: NE/4SE/4NW/4**

**Eddy County, New Mexico**

**Containing 10.00 acres, more or less**

**RECORD DATE: 4/1/13**

**MINERAL OWNERSHIP**

NAME OF MINERAL OWNERS	INTEREST	NET ACRES	LEASEHOLD STATUS
June Marie Avery 501 West Centre Ave. Artesia, NM 88210	25.000000%	2.500000	<u>Open</u>
Perla C. Martinez and Eddie E. Carrasco as JT 1612 W. Tansill Carlsbad, NM 88220	8.333334%	0.833334	<u>Open</u>
Anastacia R. Blanco C/O Jerri Algri 2720 Shannon Drive San Francisco, CA 94080	8.333334%	0.833334	<u>Open</u>
Bill C. Ruiz C/O Perla Martinez 1612 W. Tansill Carlsbad, NM 88220	8.333334%	0.833334	<u>Open</u>
Harvey C. Ruiz C/O Perla Martinez 1612 W. Tansill Carlsbad, NM 88220	8.333334%	0.833334	<u>Open</u>
Juan G. Ruiz C/O Perla Martinez 1612 W. Tansill Carlsbad, NM 88220	8.333333%	0.833333	<u>Open</u>
Maria R Hernandez C/O Perla Martinez	8.333333%	0.833333	<u>Open</u>



## TOWNSHIP 24 SOUTH, RANGE 28 EAST, N.M.P.M.

Page 2 of 2

## SECTION 3: NE/4SE/4NW/4

Boy's Club of America 381 Fourth Ave. New York, NY	2.500000%	0.250000	<u>Open</u>
University Of New Mexico Harry & Mabel F. Leonard Scholarship Fund	2.500000%	0.250000	<u>Open</u>
Elk Foundation 16 Court Street Boston, MA	2.500000%	0.250000	<u>Open</u>
The Bishop Whipple Schools P.O.Box 218 Fairbault, MN 55021	2.500000%	0.250000	<u>Open</u>
New Mexico Boys Ranch Incorporation Box 6 LaJoya, NM 87002	2.500000%	0.250000	<u>Open</u>
<b>TOTAL MINERAL OWNERSHIP</b>	<b>100.000000%</b>	<b>10.000000</b>	

**\*\*This report is supplied without warranty either express or implied\*\***

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Anastacia R. Blanco  
430 Hillview Drive, Apt. 202  
Linthicum Heights, Maryland 21090-3814

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Anastacia:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 4.16667% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.78125% working interest in the well ( $4.16667\% \text{ interest} \times 10.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.13020\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty, and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$312.51 representing our lease bonus consideration ( $0.41667 \text{ net acres} \times \$750 \text{ per net acre} = \$312.51$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Anastacia R. Blanco  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**ANASTACIA R. BLANCO**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



Date: March 1, 2015

Simple Certified:

The following is in response to your March 1, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008117617. The delivery record shows that this item was delivered on February 28, 2015 at 10:54 am in LINTHICUM HEIGHTS, MD 21090. The scanned image of the recipient information is provided below.

Signature of Recipient : Anastacia Blanco  
A. Blanco

Address of Recipient : 430 Hillview Dr Apt 202  
Linthicum Heights, MD 21090

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Anastacia R. Blanco  
430 HILLVIEW DR APT 202  
LINTHICUM HEIGHTS, MD 21090  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Bill C. Ruiz  
41718 Sultana Road  
Sultana, California 93666

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Ruiz:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 4.16667% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.78125% working interest in the well ( $4.16667\% \text{ interest} \times 10.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.13020\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty, and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$312.51 representing our lease bonus consideration ( $0.41667 \text{ net acres} \times \$750 \text{ per net acre} = \$312.51$ ).

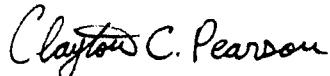
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Bill C. Ruiz  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

  
Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**BILL C. RUIZ**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Harvey G. Ruiz  
P.O. Box 111  
Malaga, New Mexico 88263

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Ruiz:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 4.16667% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.78125% working interest in the well ( $4.16667\% \text{ interest} \times 10.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.13020\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$312.51 representing our lease bonus consideration ( $0.41667 \text{ net acres} \times \$750 \text{ per net acre} = \$312.51$ ).

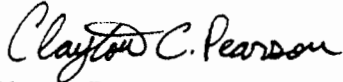
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Harvey G. Ruiz  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**HARVEY G. RUIZ**

\_\_\_\_\_  
Signed

**Tax ID #:** \_\_\_\_\_





Date: February 13, 2015

Simple Certified:

The following is in response to your February 13, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007891365. The delivery record shows that this item was delivered on February 12, 2015 at 12:26 pm in MALAGA, NM 88263. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery record  
to  
Alice S. Ruiz  
1  
Alice S. Ruiz

Address of Recipient :

to  
PO Box 111 Malaga, NM 88263

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Harvey G. Ruiz  
PO Box 111  
Malaga, NM 88263  
Reference #: Yardbirds 3 W2MD 1H cp

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

John Erby Ruiz  
P.O. Box 111  
Malaga, New Mexico 88263

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear John:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.69444% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02185% working interest in the well ( $0.69444\% \text{ interest} \times 10.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02185\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty, and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$52.46 representing our lease bonus consideration ( $0.06994 \text{ net acres} \times \$750 \text{ per net acre} = \$52.46$ ).

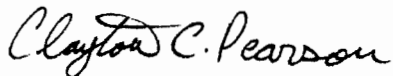
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

John Erby Ruiz  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**JOHN ERBY RUIZ**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_




Date: March 1, 2015

Simple Certified:

The following is in response to your March 1, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008117990. The delivery record shows that this item was delivered on February 28, 2015 at 9:51 am in MALAGA, NM 88263. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery record	
Signature	
Name	John E Ruiz

Address of Recipient :

Delivery record	
Address	PO Box 111, Malaga, NM 88263

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

John Erby Ruiz  
PO Box 111  
Malaga, NM 88263  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

John Bill Ruiz  
P.O. Box 161  
Sultana, California 93666

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear John:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.69444% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02185% working interest in the well ( $0.69444\% \text{ interest} \times 10.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02185\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty, and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$52.46 representing our lease bonus consideration ( $0.06994 \text{ net acres} \times \$750 \text{ per net acre} = \$52.46$ ).

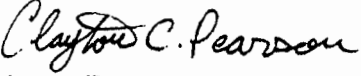
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

John Bill Ruiz  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

  
Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**JOHN BILL RUIZ**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_



Date: March 3, 2015

Simple Certified:

The following is in response to your March 3, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008117938. The delivery record shows that this item was delivered on March 2, 2015 at 11:58 am in SULTANA, CA 93666. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "John Bill Ruiz".

Address of Recipient :

A handwritten address in black ink, appearing to read "P.O. Box 161".

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

John Bill Ruiz  
PO Box 161  
Sultana, CA 93666  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Dela Inez Masterpolito  
1720 E. Monte Vista Road, Apt. 101  
Phoenix, Arizona 85006-1973

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Dela:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.69444% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02185% working interest in the well ( $0.69444\% \text{ interest} \times 10.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02185\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty, and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$52.46 representing our lease bonus consideration ( $0.06994 \text{ net acres} \times \$750 \text{ per net acre} = \$52.46$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.



Dela Inez Masterpolito  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**DELA INEZ MASTERPOLITO**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Erma Lee Garcia  
121 S. Quintana Drive  
Anaheim Hills, California 92807

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Erma:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.69444% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02185% working interest in the well ( $0.69444\% \text{ interest} \times 10.0 \text{ net acres} / 320.00 \text{ gross acres} = 0.02185\% \text{ interest in the Well}$ ).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty, and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$52.46 representing our lease bonus consideration ( $0.06994 \text{ net acres} \times \$750 \text{ per net acre} = \$52.46$ ).

If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Erma Lee Garcia  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**

*Clayton C. Pearson*

Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**ERMA LEE GARCIA**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 20, 2015

*Via Certified Mail*

Mary Jane Ruiz  
758 Shaw Avenue, #20  
Clovis, California 93612-3216

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mary:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 0.69444% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.02185% working interest in the well (0.69444% interest X 10.0 net acres / 320.00 gross acres = 0.02185% interest in the Well).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by March 13, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty, and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$52.46 representing our lease bonus consideration (0.06994 net acres X \$750 per net acre = \$52.46).

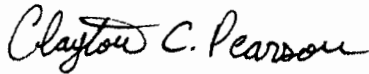
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Mary Jane Ruiz  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 20, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**MARY JANE RUIZ**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 13, 2015

*Via Certified Mail*

Michael Kyle Leonard's Child Trust  
Attn: Michael Kyle Leonard, Trustee  
P.O. Box 2625  
Eagle Pass, Texas 78853

Re:	Yardbirds "3" W2DM Fee #1H Well	<u>AND</u>	Yardbirds "3" D3BO Fee #1H Well
	175' FNL & 1070' FWL (SL)		185' FNL & 2050' FEL (SL)
	330' FSL & 660' FWL (BHL)		330' FSL & 2050' FEL (BHL)
	Section 3, T24S, R28E		Section 3, T24S, R28E
	Eddy County, New Mexico		Eddy County, New Mexico

Dear Mr. Leonard:

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640.00 acre Working Interest Unit ("WIU") covering all of the above captioned Section 3 for oil and gas production. Eddy County records indicate that the Michael Kyle Leonard Child's Trust ("the Trust") owns an undivided 0.83334% unleased mineral interest in the NE/4SE/4NW/4 in the captioned Section 3. Accordingly, the Trust would own a 0.01302% working interest in the proposed WIU ( $0.83334\% \text{ Interest} \times 10.0 \text{ Net Acres} / 640 \text{ Gross Acres} = 0.01302\% \text{ Interest in the WIU}$ ).

Mewbourne as Operator hereby proposes to drill the captioned wells at their referenced surface locations (SL) to their referenced bottom hole locations (BHL). The proposed Yardbirds "3" W2DM Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area.

The proposed Yardbirds "3" D3BO Fee #1H Well will be drilled to a true vertical depth ("TVD") of approximately 6,153 feet subsurface to evaluate the Basal Brushy Canyon interval in the Delaware Sand formation for oil production. The proposed well will have a horizontal measured depth ("MD") of approximately 10,700 feet. The W/2E/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area.

The Michael Kyle Leonard Child's Trust  
Yardbirds "3" WIU  
Section 3, T24S, R28E  
February 13, 2015  
Page 2 of 2

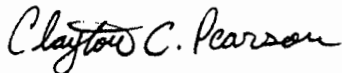
Enclosed for your further handling are our AFE's dated January 14, 2015 for the above proposed wells. In the event the Trust elects to participate in the proposed WIU and wells, please execute the enclosed AFE's and return to me by March 6, 2015. A copy of our Joint Operating Agreement will follow in the near future.

Alternatively, Mewbourne hereby offers \$750.00 per net acre for a three (3) year paid up Oil and Gas Lease with such lease providing for a 25% royalty interest and a 180 day Continuous Development Clause. If you wish to lease the unleased mineral interest as described above, please sign and return this letter to my attention. I will then draft and send an Oil and Gas Lease along with a bonus check in the amount of \$62.51 representing the bonus consideration for said lease (0.08334 net acres X \$750 per net acre = \$62.51 bonus consideration).

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

Please sign below if agreeable to lease the above described mineral interest and return for our files:

**THE MICHAEL KYLE LEONARD CHILD'S TRUST**

---

Michael Kyle Leonard, Trustee



Date: February 20, 2015

Simple Certified:

The following is in response to your February 20, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007994905. The delivery record shows that this item was delivered on February 19, 2015 at 12:15 pm in EAGLE PASS, TX 78852. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "Michael K Leonard".

Michael K Leonard

Address of Recipient :

2625

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Attn: Michael Kyle Leonard, Trustee  
Michael Kyle Leonard's Child Trust  
PO Box 2625  
Eagle Pass, TX 78853  
Reference #: Yardbirds 3 W2DM 1H and Yardbirds 3 D3BO 1H  
Item ID: Yardbirds 3 W2DM 1H and Yardbirds 3 D3BO 1H



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 9, 2015

*Via Certified Mail*

Boys and Girls Club of America  
f/k/a Boys Club of America  
1275 Peachtree Street NE  
Atlanta, Georgia 30309-3506

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area. Apparently, you own 2.50% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, you would own a 0.07813% working interest in the well (2.50% interest X 10.0 net acres / 320.00 gross acres = 0.07813% interest in the Well).

Regarding the above, enclosed for your further handling is our AFE dated January 14, 2015 for the captioned proposed well. In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to me by February 27, 2015.

Alternatively, Mewbourne hereby offers to lease the above described mineral interest, with said lease providing for a 3/16ths royalty and a 3 year Primary Term. If this offer is acceptable, please sign below so that I may send you our lease form for execution. I will enclose a bonus check along with said lease in the amount of \$187.50 representing our lease bonus consideration (0.250 net acres X \$750 per net acre = \$187.50).

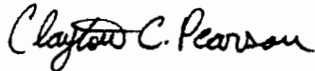
If you decide not to participate in the well or lease your mineral interest, said interest will be subject to a compulsory pooling hearing in the near future. You will be notified of this hearing as the date becomes finalized.

Boys and Girls Clubs of America  
f/k/a Boys Club of America  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E  
February 9, 2015  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

(If agreeable to lease, please sign below and return to my attention)

**THE BOYS AND GIRLS CLUBS OF AMERICA,  
F/K/A THE BOYS CLUB OF AMERICA**

\_\_\_\_\_  
Signed

Tax ID #: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name

As: \_\_\_\_\_  
Position

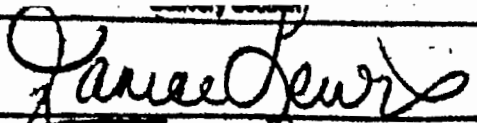


Date: February 14, 2015

Simple Certified:

The following is in response to your February 14, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007891556. The delivery record shows that this item was delivered on February 14, 2015 at 12:40 pm in ATLANTA, GA 30309. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	
Printed Name	J O Lewis

Address of Recipient :

Delivery Address	1275 PEACHTREE ST
------------------	-------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Boys and Girls Club of America  
Boys Club of America  
1275 PEACHTREE ST NE  
ATLANTA, GA 30309  
Reference #: Yardbirds 3 W2MD 1H cp

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Pamela Ray Cummings  
1004 Pinion Lane  
Carlsbad, New Mexico 88220

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Cummings:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Pamela Ray Cummings  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

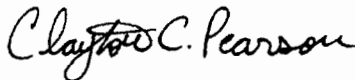
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

**USPS CERTIFIED MAIL™**

Page 1 of 1

Newbourne Oil Company  
Clayton Pearson  
500 West Texas Ave, Suite 1020  
MIDLAND TX 79701-4279  
Verano 3 WZM 14

**USPS CERTIFIED MAIL**



9414 8106 9994 5007 7298 28

Pamela Ray Cummings  
1004 PINON LN  
CARLSBAD NM 88220-3266

**UNCLAIMED**

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FIRST CLASS  
FEB 04 2015  
Mailed from ZIP 79701  
1 oz First Class Mail  
CID: 8613



07190034813

e Certified Mail

COPY

February 20, 2015

*Via Certified Mail*

Patricia Gae Stamps  
P.O. Box 817  
Panhandle, Texas 79068

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Stamps:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Patricia Gae Stamps  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 20, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman



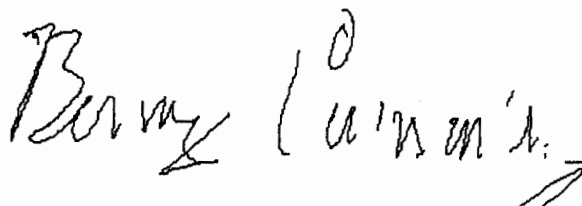


Date: February 24, 2015

Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118454. The delivery record shows that this item was delivered on February 24, 2015 at 10:35 am in PANHANDLE, TX 79068. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "Benny L. Linn".

Address of Recipient :

A handwritten address in black ink, appearing to read "817".

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Patricia Gae Stamps  
PO Box 817  
Panhandle, TX 79068  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

COPY

February 20, 2015

*Via Certified Mail*

John W. Osborn  
P.O. Box 419  
Tipton, Oklahoma 76570

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Osborn:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

John W. Osborn  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 20, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman



Date: February 26, 2015

Simple Certified:

The following is in response to your February 26, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118355. The delivery record shows that this item was delivered on February 26, 2015 at 11:20 am in TIPTON, OK 73570. The scanned image of the recipient information is provided below.

Signature of Recipient : 

Delivery Section	
no	<i>John W Osborn</i>
1	John W Osborn

Address of Recipient : 

1	PO Box 419
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Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

John W. Osborn  
PO BOX 419  
TIPTON, OK 73570  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

February 20, 2015

**Via Certified Mail**

Sue Osborn Powell  
f/k/a Sue Osborn  
899 Hedgewood Drive  
Georgetown, Texas 78620

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Powell:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Sue Osborn Powell  
f/k/a Sue Powell  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 20, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman

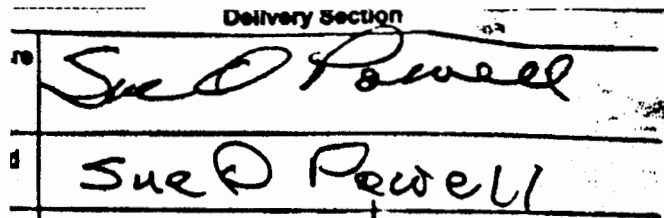


Date: February 24, 2015

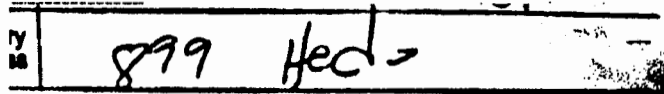
Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118492. The delivery record shows that this item was delivered on February 23, 2015 at 1:37 pm in GEORGETOWN, TX 78628. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

f/k/a Sue Osborn  
Sue Osborn Powell  
899 HEDGEWOOD DR  
GEORGETOWN, TX 78628  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

COPY

February 20, 2015

**Via Certified Mail**

Mary Camille Hall  
3812 Tailfeather Drive  
Round Rock, Texas 78681

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Hall:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.



Mary Camille Hall  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 20, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman



Date: February 24, 2015

Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118393. The delivery record shows that this item was delivered on February 23, 2015 at 12:02 pm in ROUND ROCK, TX 78681. The scanned image of the recipient information is provided below.

Signature of Recipient :

www.usps.com/recovery or 800-ASK-USPS (275-8777)  
Delivery Section

name	
X	Mary Hall
initials	
date	

Address of Recipient :

delivery address	
------------------	--

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mary Camille Hall  
3812 TAILFEATHER DR  
ROUND ROCK, TX 78681  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

COPIES

February 20, 2015

**Via Certified Mail**

Virginia Lee Davis  
P.O. Box 1065  
Carlsbad, New Mexico 88221

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Davis:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Virginia Lee Davis  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 20, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

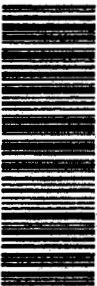
**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman

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Newbourne Oil Company  
Clayton Pearson  
500 West Texas Ave, Suite 1020  
MIDLAND TX 79701-4279  
Veranda 3 W20M 1H

USPS CERTIFIED MAIL



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Virginia Lee Davis  
PO Box 1065  
CARLSBAD NM 88221-1065

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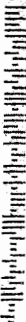
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Certified Mail



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

LBD, a Limited Partnership  
P.O. Box 686  
Hobbs, New Mexico 88240

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface locations (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

LBD, a Limited Partnership  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

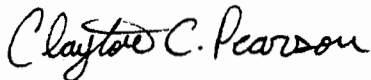
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

USPS CERTIFIED MAIL™

Newbourne Oil Company  
Clayton Pearson  
500 West Texas Ave, Suite 1020  
Midland TX 79701-4279

Verobate 3 WZM 14

USPS CERTIFIED MAIL



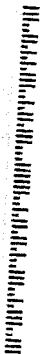
9414 8106 3994 5007 7298 66

LBD, a United Partnership  
PO BOX 686  
HOBBS NM 88241-0686

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COPY

February 4, 2015

*Via Certified Mail*

Estate of Bonnie R. Gregory  
Attn: Irma J. Gregory  
14 Cork Street  
Alva, Florida 33920

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Gregory:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface locations (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you, as the Personal Representative of the Estate of Bonnie R. Gregory, and as an individual, may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Estate of Bonnie R. Gregory and Irma J. Gregory, Individually  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman

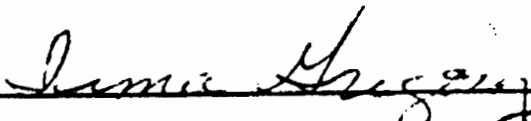


Date: February 7, 2015

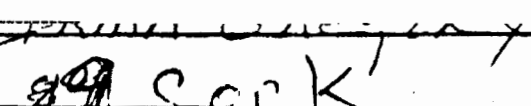
Simple Certified:

The following is in response to your February 7, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729699. The delivery record shows that this item was delivered on February 7, 2015 at 11:43 am in ALVA, FL 33920. The scanned image of the recipient information is provided below.

Signature of Recipient : 

Delivery Section	
Signature	
Printed Name	IRMA GREGORY

Address of Recipient : 

Address	
---------	--

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Attn: Irma J. Gregory  
Estate of Bonnie R. Gregory  
14 CORK ST  
ALVA, FL 33920  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

**Via Certified Mail**

Thomas W. Gregory  
1705 Black Gold St., SE  
Albuquerque, New Mexico 87123

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Gregory:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Thomas W. Gregory  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

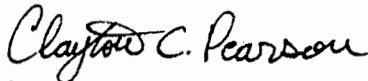
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman



Date: February 14, 2015

Simple Certified:

The following is in response to your February 14, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729798. The delivery record shows that this item was delivered on February 13, 2015 at 11:38 am in ALBUQUERQUE, NM 87123. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "Tom Gregory", followed by a long horizontal stroke.

Address of Recipient :

1705 BLACK GOLD ST  
ALBUQUERQUE NM 87123

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Thomas W. Gregory  
1705 BLACK GOLD ST SE  
ALBUQUERQUE, NM 87123  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

William E. Gregory  
11910 Central Ave., SE, Suite B  
Albuquerque, New Mexico 87123

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Gregory:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

William E. Gregory  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

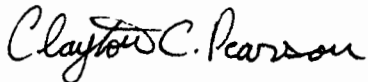
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Estate of Stanley W. Gregory  
608 Lakeside Drive  
Carlsbad, New Mexico 88220  
Attn: Kathy Gregory

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Gregory:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface locations (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Estate of Stanley W. Gregory  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

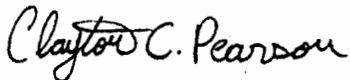
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

**USPS CERTIFIED MAIL™**

Newbourne Oil Company  
Clayton Pearson  
500 West Texas Ave, Suite 1020  
MIDLAND TX 79701-4279  
Variable 3 WZDM 1H



**USPS CERTIFIED MAIL**



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Estate of Stanley W. Gregory  
Kathy Gregory  
608 LAKE SIDE DR  
CARLSBAD NM 88220-5207

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# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Clarence W. Ervin  
4016 Jones Street  
Carlsbad, New Mexico 88220

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Clarence:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface locations (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Clarence W. Ervin  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

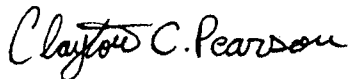
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman




Date: February 7, 2015

Simple Certified:

The following is in response to your February 7, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729910. The delivery record shows that this item was delivered on February 6, 2015 at 2:07 pm in CARLSBAD, NM 88220. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	
Printed Name	

Address of Recipient :

Delivery Address	4016 Jones
------------------	------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Clarence W. Ervin  
4016 JONES ST  
CARLSBAD, NM 88220  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Mr. and Mrs. Brian L. McGonagill  
1612 Westridge Road  
Carlsbad, New Mexico 88220

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. and Mrs. McGonagill:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface locations (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Mr. and Mrs. Brian L. McGonagill  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman



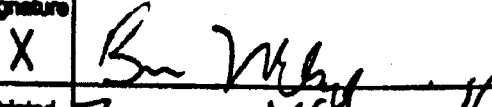


Date: February 7, 2015

Simple Certified:

The following is in response to your February 7, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729941. The delivery record shows that this item was delivered on February 6, 2015 at 11:09 am in CARLSBAD, NM 88220. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	
Printed Name	Brian McGonagill

Address of Recipient :

Delivery Address	1612 Westridge P
------------------	------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. and Mrs. Brian L. McGonagill  
1612 WESTRIDGE RD  
CARLSBAD, NM 88220  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Chasity Garza  
609 N. Mesa St.  
Carlsbad, New Mexico 88220

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Garza:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface locations (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Chasity Garza  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

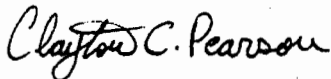
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

USPS CERTIFIED MAIL™

Newbourne Oil Company  
Clayton Pearson  
500 West Texas Ave, Suite 1020  
MIDLAND TX 79701-4278

Verdiana 3 WZDM 1H

US POSTAGE AND FEES PAID  
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Feb 04 2015  
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07150034813

USPS CERTIFIED MAIL



9414 8106 9994 5007 7299 34

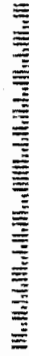
Chasity Garza  
809 N MESA ST  
CARLSBAD NM 88220-5024

NIXIE

882201087-1N

02/10/15

RETURN TO SENDER  
UNABLE TO FORWARD  
UNABLE TO FORWARD  
RETURN TO SENDER



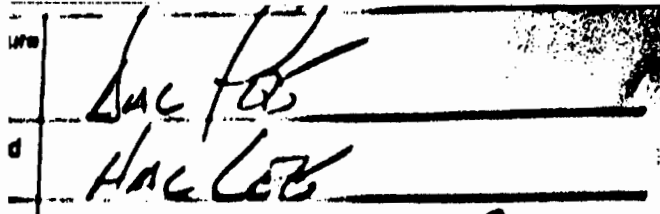


Date: February 13, 2015

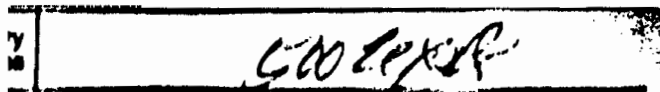
Simple Certified:

The following is in response to your February 13, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729934. The delivery record shows that this item was delivered on February 12, 2015 at 11:51 am in MIDLAND, TX 79701. The scanned image of the recipient information is provided below.

Signature of Recipient :

A scanned image of a signature, appearing to read "HAC LEB", written on a lined background. The signature is in black ink and is somewhat stylized.

Address of Recipient :

A scanned image of an address, appearing to read "500 LEB", written on a lined background. The address is in black ink and is somewhat stylized.

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Chasity Garza  
609 N MESA ST  
CARLSBAD, NM 88220  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

February 20, 2015

**Via Certified Mail**

Chasity Garza  
1410 E. Broadway  
Brownfield, Texas 79316

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Garza:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Chasity Garza  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 20, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Mary Jo Beeman Dickerson  
P.O. Box 642  
Glenpool, Oklahoma 74033

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Ms. Dickerson:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface locations (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.



Mary Jo Beeman Dickerson  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

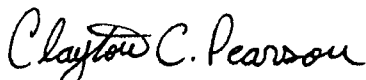
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

USPS CERTIFIED MAIL™

Mewbourne Oil Company  
Clayton Pearson  
500 West Texas Ave, Suite 1020  
MIDLAND TX 79701-4279

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USPS CERTIFIED MAIL



9414 8106 9994 5007 7298 35

Mary Jo Beeman Dickerson  
PO Box 642  
GLENPOOL OK 74033-0642

NIXIE 740332060-IN 040 02/12/15

RETURN TO SENDER  
ATTEMPTED - NOT KNOWN  
UNABLE TO FORWARD  
RETURN TO SENDER



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Panagopoulos Enterprises  
511 W. Reinken Ave.  
Belen, New Mexico 87002

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Panagopoulos Enterprises  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Klipstine & Hanratty  
1601 N. Turner, Suite 400  
Hobbs, New Mexico 88240

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Klipstine & Hanratty  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

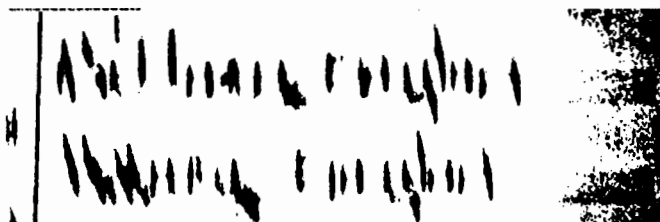


Date: February 17, 2015

Simple Certified:

The following is in response to your February 17, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729743. The delivery record shows that this item was delivered on February 17, 2015 at 11:56 am in HOBBS, NM 88240. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Klipstine & Hanratty  
1601 N TURNER ST STE 400  
HOBBS, NM 88240  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Nevill Manning  
2112 Indiana  
Lubbock, Texas 79410

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Manning:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.



Nevill Manning  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

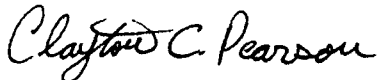
Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

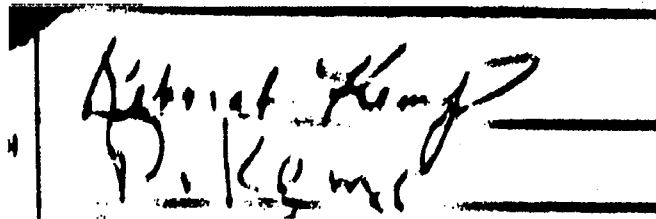


Date: February 7, 2015

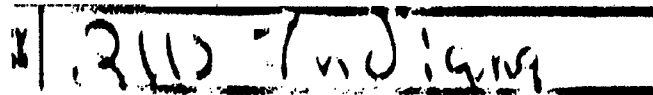
Simple Certified:

The following is in response to your February 7, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729729. The delivery record shows that this item was delivered on February 6, 2015 at 10:07 am in LUBBOCK, TX 79410. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink, appearing to read "Robert King", written over a horizontal line.

Address of Recipient :

A handwritten address in black ink, appearing to read "2112 Indiana Ave", written over a horizontal line.

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Nevill Manning  
2112 INDIANA AVE  
LUBBOCK, TX 79410  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 4, 2015

*Via Certified Mail*

Nolan Greak  
8008 Slide Road, Suite #33  
Lubbock, Texas 79424

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. Greak:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Nolan Greak  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 4, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman



Date: February 7, 2015

Simple Certified:

The following is in response to your February 7, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007729712. The delivery record shows that this item was delivered on February 6, 2015 at 10:58 am in LUBBOCK, TX 79424. The scanned image of the recipient information is provided below.

Signature of Recipient :

**Delivery Section**  
Pete Garmat  
Pete Garmat

Address of Recipient :

8008 Slide #30

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Nolan Greak  
8008 SLIDE RD STE NO33  
LUBBOCK, TX 79424  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H

February 20, 2015

*Via Certified Mail*

Mr. and Mrs. Louis M. Ratliff  
8 Firwood Court  
The Hills, Texas 78738

Re: Yardbirds "3" W2DM Fee #1H Well  
175' FNL & 1070' FWL (SL)  
330' FSL & 660' FWL (BHL)  
Section 3, T24S, R28E  
Eddy County, New Mexico

Dear Mr. and Mrs. Ratliff:

Mewbourne Oil Company ("Mewbourne"), as Operator, proposes to drill the captioned well at the referenced surface location (SL) and drill same horizontally to a terminus point in the well bore to the referenced bottom hole location (BHL). Said well will be drilled to a true vertical depth of approximately 10,460 feet beneath the surface and drilled horizontally therefrom from a northerly direction to a southerly direction in the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production.

Regarding the above, title examination of the captioned Section 3 indicates the you may have a claim to a 2.91102% unleased mineral interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4, lying West of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres, more or less, of the captioned Section 3. To cure this title, it would take a Quiet Title Suit or stipulation between all of the parties and their heirs that may have claim to this interest.

Regarding the above, enclosed for your further handling and information is a copy of our Authority For Expenditure (AFE) dated January 14, 2015. This is an estimate of the drilling and completion costs associated with the above proposed well.

Mr. and Mrs. Louis M. Ratliff  
Yardbirds "3" W2DM Fee #1H Well  
Section 3, T24S, R28E, Eddy Co., NM  
February 20, 2015  
Page 2 of 2

In the event the ownership of the above referenced unleased mineral interest is judicially determined, Mewbourne welcomes such owners to participate in the above well as to such unleased mineral interest, being a 0.84465% interest ( $2.91102\% \text{ Unleased Interest} \times 92.85 \text{ Gross Acres} = 2.70288 \text{ Net Acres} / 320 \text{ Acre Proration Unit} = 0.84465\% \text{ Interest in the Well}$ ).

Alternatively, Mewbourne offers to purchase an Oil and Gas Lease covering such interest on the basis of a lease bonus payment of \$750 per net acre for a three year primary term providing for a 3/16ths royalty interest in the event such unleased mineral interest is judicially determined. This offer is subject to proportionate reduction.

In order for Mewbourne to drill the above well timely to accord to our current drilling schedule, the above interest will be subject to a Compulsory Pooling Examiners Hearing in Santa Fe, New Mexico in the near future. You will be notified of this hearing as the scheduling becomes finalized.

Should you have any questions regarding the above, please call me at (432)682-3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com).

Sincerely,

**MEWBOURNE OIL COMPANY**

Clayton Pearson  
Landman

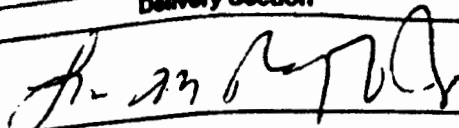


Date: February 24, 2015

Simple Certified:

The following is in response to your February 24, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945008118416. The delivery record shows that this item was delivered on February 23, 2015 at 1:21 pm in AUSTIN, TX 78738. The scanned image of the recipient information is provided below.

Signature of Recipient :

www.usps.com		Delivery Section
signature	X	
printed name		Louis M. Ratliff

Address of Recipient :

street address	8 Firwood Ct
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Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Mr. and Mrs. Louis M. Ratliff  
8 FIRWOOD CT  
THE HILLS, TX 78738  
Reference #: Yardbirds 3 W2DM 1H  
Item ID: Yardbirds 3 W2DM 1H



## Clayton Pearson

---

**From:** Mickey Ratliff <1mick@att.net>  
**Sent:** Tuesday, February 24, 2015 2:56 PM  
**To:** Clayton Pearson  
**Subject:** Yardsbird "3" W2DM Fee #1H Well, Eddy County, New Mexico

Dear Mr. Pearson:

If it judicially determined that I do have an interest in the acreage on which the above-described well is to be located, I will lease to Mewbourne Oil Company as outlined in your letter of February 20, 2015, that being \$750.00 per net acre, three-year term, 3/16th royalty.

I decline the invitation to participate.

Thank you for your consideration in this matter.

Yours very truly,

Louis M. Ratliff, Jr.

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(432) 682-3715  
FAX (432) 685-4170

February 27, 2015

Via Email [kpaxton@elandenergy.com](mailto:kpaxton@elandenergy.com) and  
Certified Mail

Eland Energy, Inc.  
Attn: Mr. Kyle Paxton  
16400 Dallas Parkway, Suite 100  
Dallas, Texas 75248

Re:	Amended Proposal		
	Yardbirds "3" W2DM Fee #1H Well	<u>AND</u>	Yardbirds "3" D3BO Fee #1H Well
	175' FNL & 1070' FWL (SL)		185' FNL & 2050' FEL (SL)
	330' FSL & 660' FWL (BHL)		330' FSL & 2050' FEL (BHL)
	Section 3, T24S, R28E		Section 3, T24S, R28E
	Eddy County, New Mexico		Eddy County, New Mexico

Dear Mr. Paxton:

Please disregard my original Working Interest and Well Proposal dated February 3, 2015 regarding the above captioned Section 3 WIU and associated wells. After a further title review, it appears as if a leasehold interest originally credited to Eland Energy, Inc., being described as "0.02391% interest in the N/2NW/4NW/4, SW/4NW/4NW/4, SW/4NW/4, and all that part of the NW/4SE/4NW/4, SE/4SE/4NW/4, SW/4SE/4NW/4 and N/2N/2NE/4SW/4 lying west of the eastern boundary line of the A.T.&S.F. Ry. Co. right-of-way, containing 92.85 acres" cannot be accurately determined. This is a result of a convoluted chain of title pertaining to the mineral estate upon which the lease was taken, making it impossible to determine the actual amount of leasehold interest that Eland would subsequently own. Therefore, I am sending this revised WIU Proposal to reflect the leasehold interest Eland will be credited with in the WIU.

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 640.00 acre Working Interest Unit ("WIU") covering all of the above captioned Section 3 for oil and gas production. Apparently, Eland Energy, Inc. ("Eland") owns 2.50% interest in the NE/4SE/4NW/4 of the above captioned Section 3. Accordingly, Eland would own a 0.03906% working interest in the proposed WIU ( $2.50\% \text{ interest} \times 10.0 \text{ net acres} / 640 \text{ gross acres} = 0.03906\% \text{ interest in the WIU}$ ).

In the event the convoluted interest originally credited to Eland is judicially determined, Mewbourne will gladly allow Eland to join in the participation of the unit with said interest. In the event that the convoluted mineral interests are not judicially determined, said interests will be subject to a compulsory pooling case. You will be notified of said hearing in the near future.

Eland Energy, Inc.  
Yardbirds "3" WIU Amended Proposal  
Section 3, T24S, R28E  
February 27, 2015  
Page 2 of 2

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned wells at their referenced surface locations (SL) to their referenced bottom hole locations (BHL). The proposed Yardbirds "3" W2DM Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,460 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,000 feet. The W/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area.

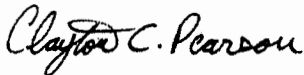
The proposed Yardbirds "3" D3BO Fee #1H Well will be drilled to a true vertical depth ("TVD") of approximately 6,153 feet subsurface to evaluate the Basal Brushy Canyon interval in the Delaware Sand formation for oil production. The proposed well will have a horizontal measured depth ("MD") of approximately 10,700 feet. The W/2E/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area.

Regarding the above, enclosed for your further handling are our revised AFE's dated January 14, 2015 for the captioned proposed wells. In the event Eland elects to participate in the proposed WIU and wells, please execute the enclosed AFE's and return to me by March 12, 2015. A copy of our Joint Operating Agreement will follow in the near future.

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715.

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman



Date: February 7, 2015

Simple Certified:

The following is in response to your February 7, 2015 request for delivery information on your Certified Mail™/RRE item number 9414810699945007717665. The delivery record shows that this item was delivered on February 6, 2015 at 11:40 am in DALLAS, TX 75248. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature X	<i>Christi Duncan</i>
Printed Name	

Address of Recipient :

Delivery Address	
------------------	--

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,  
United States Postal Service

Eland Energy, Inc.  
16400 DALLAS PKWY STE 100  
DALLAS, TX 75248  
Reference #: Yardbirds 3 W2DM 1H and Yardbirds 3 D3BO 1H  
Item ID: Yardbirds 3 W2DM 1H and Yardbirds 3 D3BO 1H

**MEWBORNE OIL COMPANY**  
AUTHORIZATION FOR EXPENDITURE

Yardbirds 3 W2DM Fee #1H					
SL: 175' FNL & 1070' FWL, BHL: 330' FSL & 660' FWL				Eddy NM	
3		24S		28E 10460' 16000'	

INTANGIBLE COSTS 0180	CODE	TCP	CODE	CC
Permits and Surveys	0180-0100	\$5,000	0180-0200	
Location: Roads, Pits & Site Preparation	0180-0106	\$100,000	0180-0205	\$75,000
Location: Site Restoration, Excavation & Other	0180-0108	\$225,000	0180-0206	
Day Work, Footage, Turnkey Drilling 35 days drlg & 2 comp @ \$15,600/day	0180-0110	\$583,200	0180-0210	\$33,400
Fuel 900 gal/day @ \$3.00/gal	0180-0114	\$99,900		
Mud	0180-0120	\$200,000		
Chemicals and Additives	0180-0121		0180-0221	
Cementing	0180-0125	\$100,000	0180-0225	\$50,000
Logging, Wireline & Coring Services Gyro/Wireline for 20 Stage Plug and Perf	0180-0130	\$6,500	0180-0230	\$205,000
Casing, Tubing & Snubbing Services	0180-0134	\$30,000	0180-0234	\$15,000
Mud Logging	0180-0137	\$35,000		
Stimulation (7MM gals/7MM sand)			0180-0241	\$2,150,000
Stimulation Rentals & Other			0180-0242	\$600,000
Water & Other	0180-0145	\$65,000		
Bits	0180-0148	\$70,000	0180-0248	\$2,500
Inspection & Repair Services	0180-0150	\$40,000	0180-0250	\$5,000
Misc. Air & Pumping Services Coil Tbg drill out	0180-0154		0180-0254	\$180,000
Testing	0180-0158	\$30,000	0180-0258	\$30,000
Completion / Workover Rig 4 days @ \$4500/day			0180-0260	\$18,000
Rig Mobilization	0180-0184	\$185,000		
Transportation	0180-0185	\$30,000	0180-0265	
Welding and Construction	0180-0168	\$5,000	0180-0268	
Engineering & Contract Supervision	0180-0170	\$70,000	0180-0270	\$4,000
Directional Services	0180-0175	\$200,000		
Equipment Rental Includes 4" DP rental	0180-0180	\$240,500	0180-0280	\$20,000
Well / Lease Legal	0180-0184	\$5,000	0180-0284	
Well / Lease Insurance	0180-0185	\$4,700	0180-0285	
Intangible Supplies	0180-0188	\$8,500	0180-0288	
Damages	0180-0190	\$5,000	0180-0290	
Pipeline, Road, Electrical ROW & Easements	0180-0192		0180-0292	
Pipeline Interconnect			0180-0293	
Company Supervision	0180-0195	\$66,000	0180-0295	\$30,000
Overhead Fixed Rate	0180-0196	\$10,000	0180-0296	\$20,000
Well Abandonment	0180-0198		0180-0298	
Contingencies 10% (TCP) 5% (CC)	0180-0199	\$239,900	0180-0299	\$171,900
<b>TOTAL</b>		<b>\$2,639,200</b>		<b>\$3,809,800</b>

TANGIBLE COSTS 0181	CODE	TCP	CODE	CC
Casing (19.1" - 30")	0181-0793			
Casing (10.1" - 19.0") 300' 13 3/8" 48# H40 STC @ \$32.52/ft + GRT	0181-0794	\$10,500		
Casing (8.1" - 10.0") 2500' 9 5/8" 36# J55 LTC @ \$25/ft + GRT	0181-0795	\$66,800		
Casing (6.1" - 8.0") 10800' 7" 26# P110 LTC/BTC @ \$27/ft + GRT	0181-0796	\$311,500		
Casing (4.1" - 6.0") 4400' 4 1/2" 13.5# P110 LTC @ \$14.8/ft + GRT			0181-0797	\$99,600
Tubing (2" - 4") 9900' 2 7/8" 6.5# L80 EUE 8rd @ \$5.80/ft + GRT			0181-0798	\$81,400
Drilling Head	0181-0860	\$14,000		
Tubing Head & Upper Section			0181-0870	\$14,000
Downhole Directional Equipment Halliburton VersaStem liner hanger			0181-0871	\$80,000
Sucker Rods			0181-0875	
Packer Pump & Subsurface Equipment			0181-0880	
Artificial Lift Systems Gas Lift			0181-0884	\$12,000
Pumping Unit			0181-0885	
Surface Pumps & Prime Movers SWD transfer pump			0181-0888	\$12,500
Tanks - Steel 6 steel 500 bbl tanks (3 coated for water)			0181-0890	\$78,900
Tanks - Others			0181-0891	
Separation & Gas Treating Equipment 2-30"x10"x1000# 3 phase & 6"x20"x250# FWKO			0181-0896	\$50,000
Heater Treaters, Line Heaters 6" x 20' x 75# heater treater			0181-0897	\$17,500
Metering Equipment			0181-0898	\$10,000
Line Pipe - Gas Gathering and Transportation			0181-0900	
Misc. Fittings, Valves, Line Pipe and Accessories			0181-0906	\$65,000
Cathodic Protection			0181-0908	\$5,000
Electrical Installations			0181-0909	\$60,000
Production Equipment Installation			0181-0910	\$45,000
Pipeline Construction 1 1/2 mile 4" buried steel			0181-0920	\$150,000
<b>TOTAL</b>		<b>\$402,800</b>		<b>\$730,900</b>
<b>SUBTOTAL</b>		<b>\$3,042,000</b>		<b>\$4,340,700</b>
<b>TOTAL WELL COST</b>		<b>\$7,382,700</b>		

Prepared by: J. Nave Date: 1/14/2016


Co. Approval: *m. whitte* Date: 1/14/2016

Joint Owner Interest: Amount:

Joint Owner Name:

Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up and redrilling as estimated in Line Item 0180-0185. Non-Operator may elect NOT to be covered by this Operator's Extra Expense Insurance only by signing below. The undersigned elects **NOT to be covered** by Operator's Extra Expense Insurance for their well.

Joint Owner Name:

Attachment 

Offset Working Interest Owners/Operators

Section 4

Mewbourne Oil Company  
Elevation Resources, LLC  
MRC Permian Company  
Chevron U.S.A. Inc.  
OXY USA WTP LP  
Energex, LLC

Section 9

Chevron U.S.A. Inc.

N/2 Section 10

Matador Production Company