

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Mewbourne
 147144
Wyatt Draw 24/25 LE1

ADMINISTRATIVE APPLICATION CHECKLIST

30-015-38083

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location]** **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]** 30-015-38307
- [DHC-Downhole Commingling]** **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
- [PC-Pool Commingling]** **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
- [WFX-Waterflood Expansion]** **[PMX-Pressure Maintenance Expansion]** *Wyatt Prow 24L #1*
- [SWD-Salt Water Disposal]** **[IPI-Injection Pressure Increase]**
- [EOR-Qualified Enhanced Oil Recovery Certification]** **[PPR-Positive Production Response]** 30-015-37490

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [C]
- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
- [D] Other: Specify _____

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Robin Terrell		SR Production Engineer	04/11/11
Print or Type Name	Signature	Title	Date
		rterrell@mewbourne.com	
		e-mail Address	

CTB - 625

MEWBOURNE OIL COMPANY
PO BOX 5270
HOBBS, NM 88240
575-393-5905 FAX 575-397-6252

RECEIVED OCD
2011 APR 12 P 12:42

April 11, 2011

Engineering Bureau
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Surface Commingle leases

To Whom It May Concern:

Mewbourne Oil Co is requesting permission to surface commingle the following wells

Wyatt Draw 24/25 LE # 1H (API # 30-015-38083)

Wyatt Draw 24 KC # 1H (API # 30-015-38307)

Mewbourne Oil Co request permission to produce these wells to a tank battery on our Wyatt Draw 24 L # 1 (API # 30-015-37490) with our Wyatt Draw 24 L # 1.

The reason for which Mewbourne Oil Co is requesting this off lease measurement is to save approximately \$150,000 in facilities cost as well as additional surface disturbances. Mewbourne Oil Co will allocate production based upon well test.

Form C107B

Site diagram of production facility with pictures

Explanation of testing procedure

Form C-102 for all wells

Map showing entire section and corresponding leases

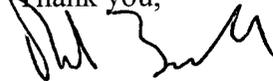
Administrative Application Checklist

List of all involved parties

Copy of letter that was sent certified mail to all involved parties informing them of proposed off lease measurement.

Mewbourne Oil Company would appreciate this commingle request being processed as soon as possible. If you need further information, please call me at (575) 390-4816.

Thank you,



Robin Terrell

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Mewbourne Oil Company

OPERATOR ADDRESS: PO Box 5270, Hobbs, NM 88241

APPLICATION TYPE:
 Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal
 Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
 Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling Yes No
 Fee surface & minerals

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? Yes No
 (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
 (4) Measurement type: Metering Other (Specify)
 (5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code. North Seven Rivers Glorieta Yeso 97565
 (2) Is all production from same source of supply? Yes No
 (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
 (4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
 (2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

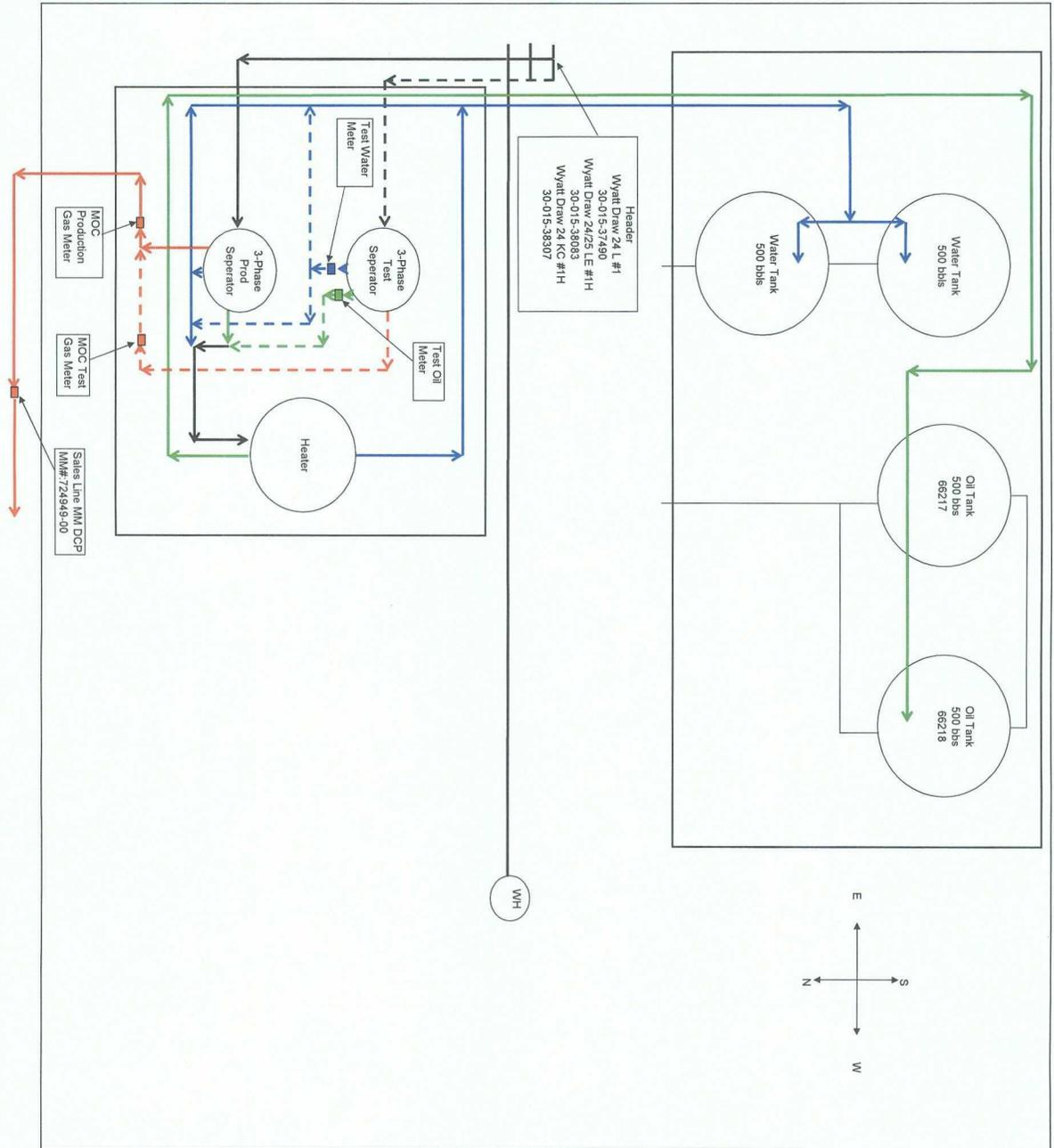
(1) A schematic diagram of facility, including legal location.
 (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
 (3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

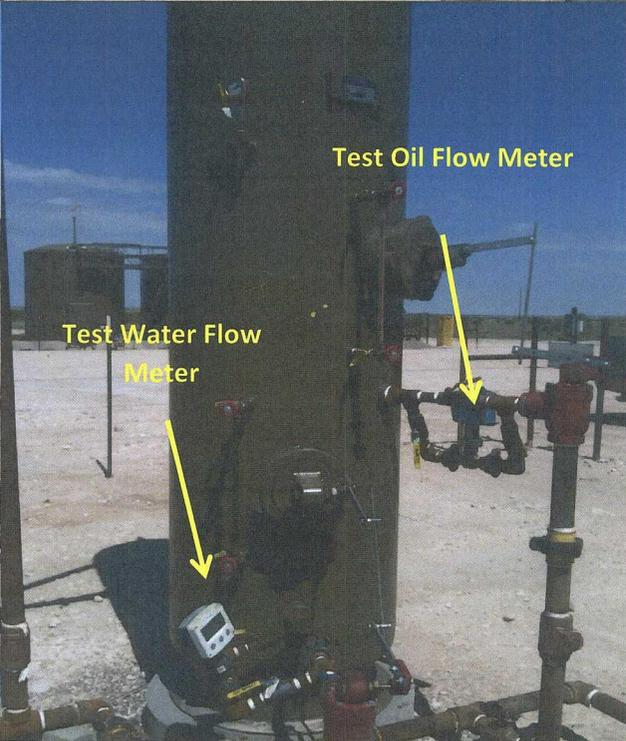
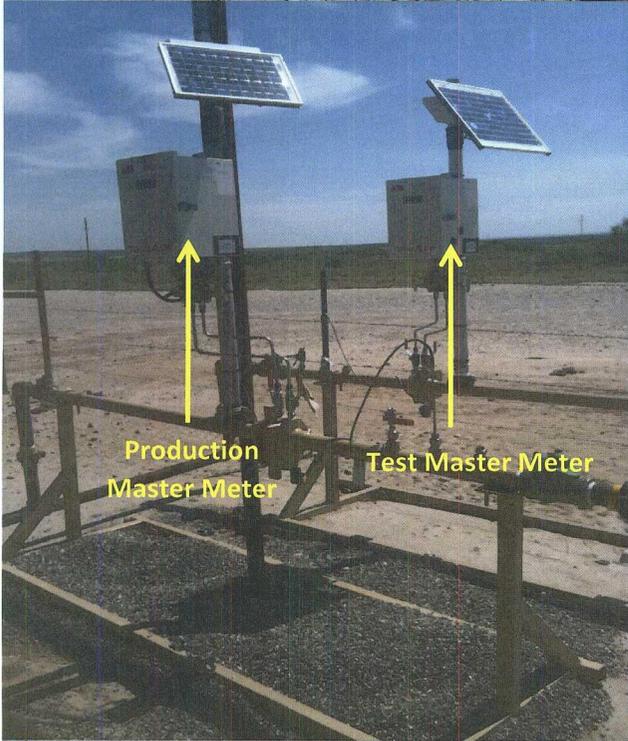
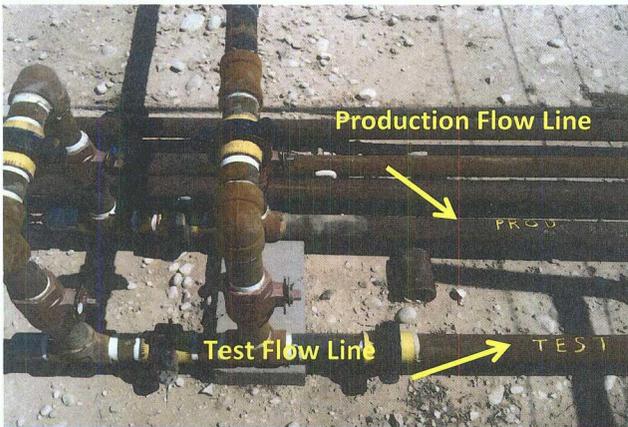
SIGNATURE: [Signature] TITLE: SR Production Engineer DATE: 04/11/11

TYPE OR PRINT NAME Robin Terrell TELEPHONE NO.: 575-393-5905

E-MAIL ADDRESS: rterrell@mewbourne.com



Mewbourne Oil Company
 Wyatt Draw 24 Battery
 API #: 30-015-37490
 2310' FSL & 330' FWL
 Sec. 24 - T19S - R25E
 Eddy County, NM



Testing Procedure

This production facility is equipped with a testing header. At the header produced fluids (oil, water, and gas) enter the production facility. (Header is seen in picture #1).

At the header produced fluids may be sent to the testing vessel or the production vessel. Only one well will be sent to the testing vessel at a given time. The other wells that flow to this battery will be sent to the production vessel. The testing vessel is a 3 phase separator (seen in picture # 2) that will meter all phases prior to it commingling with other producing wells. The oil will flow thru the oil dump and pass thru an oil meter and be recorded. The water will pass thru the water dump and thru a water meter and be recorded. The gas will flow out the top of the separator and then thru a gas test meter and then be commingled with gas from the other wells at the production meter. Once the fluids leave the 3 phase separator and pass thru the meters the volume of oil, water, and gas has been determined.

All wells will be tested for a period of no less than 3 days per month to achieve the most accurate test information. In this case where there are only 3 wells being tested at this battery so each well will have approximately 10 – (24 hr well test) each month. Well test information is recorded in our auditable production system by the name of eVIN. Wells will be rotated in test and then into the production separators throughout there producing lives.

Allocation of oil, water, and gas production in a testing facility is very simple. At the end of the month the battery made a given amount of oil, water, and gas and all wells that flow to that battery have been tested. The well test will be used to determine each wells contribution to the entire batteries production and from that each well will get its percent of oil, water, and gas produced.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name UNDESIGNATED YESO
Property Code	Property Name WYATT DRAW "24KC"		Well Number 1H
OGRID No. 14744	Operator Name MEWBOURNE OIL COMPANY		Elevation 3398'

Surface Location

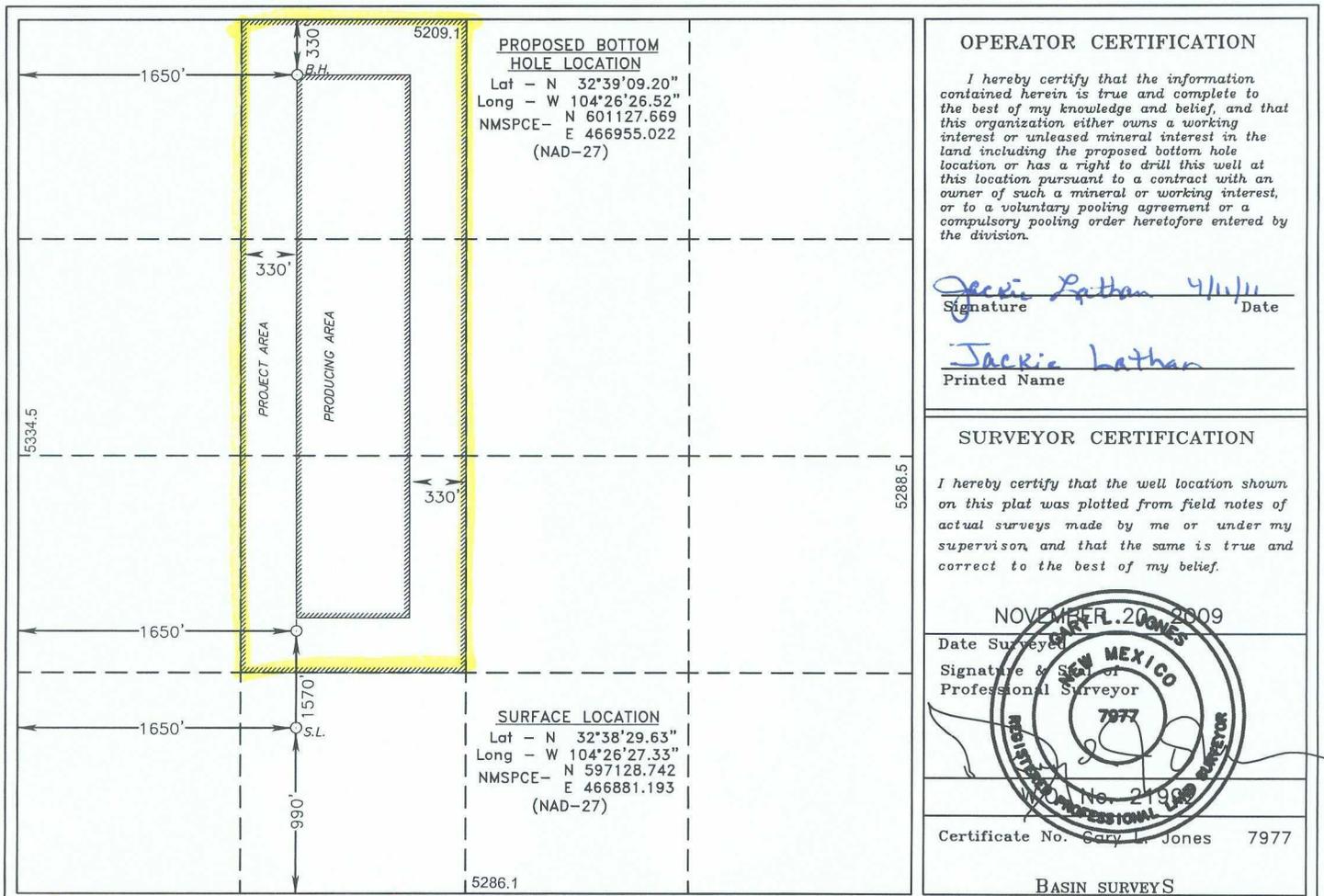
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	19 S	25 E		990	SOUTH	1650	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	19 S	25 E		330	NORTH	1650	WEST	EDDY

Dedicated Acres 120	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jackie Lathan 4/11/11
Signature Date

Jackie Lathan
Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 20 2009
Date Surveyed
Signature & Seal of Professional Surveyor

7977
No. 2198

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name WYATT DRAW "24/25" LE		Well Number 1H
OGRID No.	Operator Name MEWBOURNE OIL COMPANY		Elevation 3413'

Surface Location

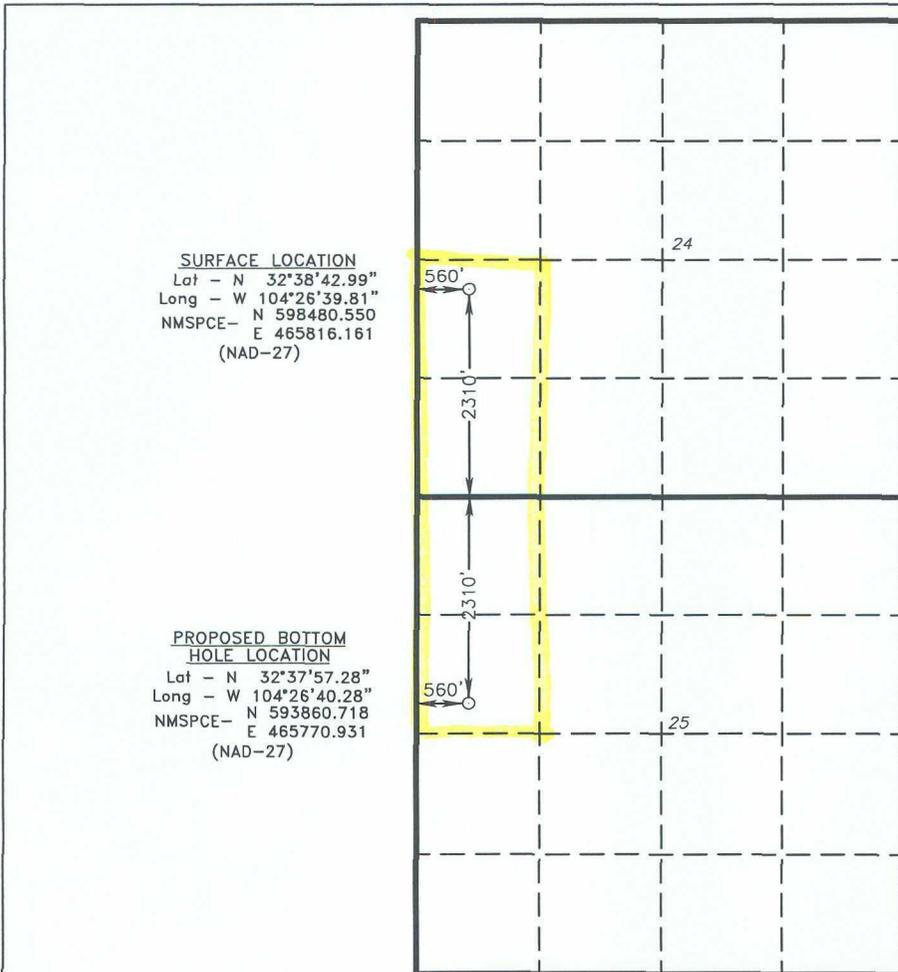
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	24	19 S	25 E		2310	SOUTH	560	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	24	19 S	25 E		2310	NORTH	560	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
-----------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Jackie Lathan Date: 4/14/11

Printed Name: Jackie Lathan

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

Date Surveyed: 4/14/11
Signature & Seal of Professional Surveyor: Gary L. Jones

W.O. # 20115

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name WYATT DRAW "24L"	Well Number 1
OGRID No.	Operator Name MEWBOURNE OIL COMPANY	Elevation 3411

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	24	19 S	25 E		2310	SOUTH	330	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

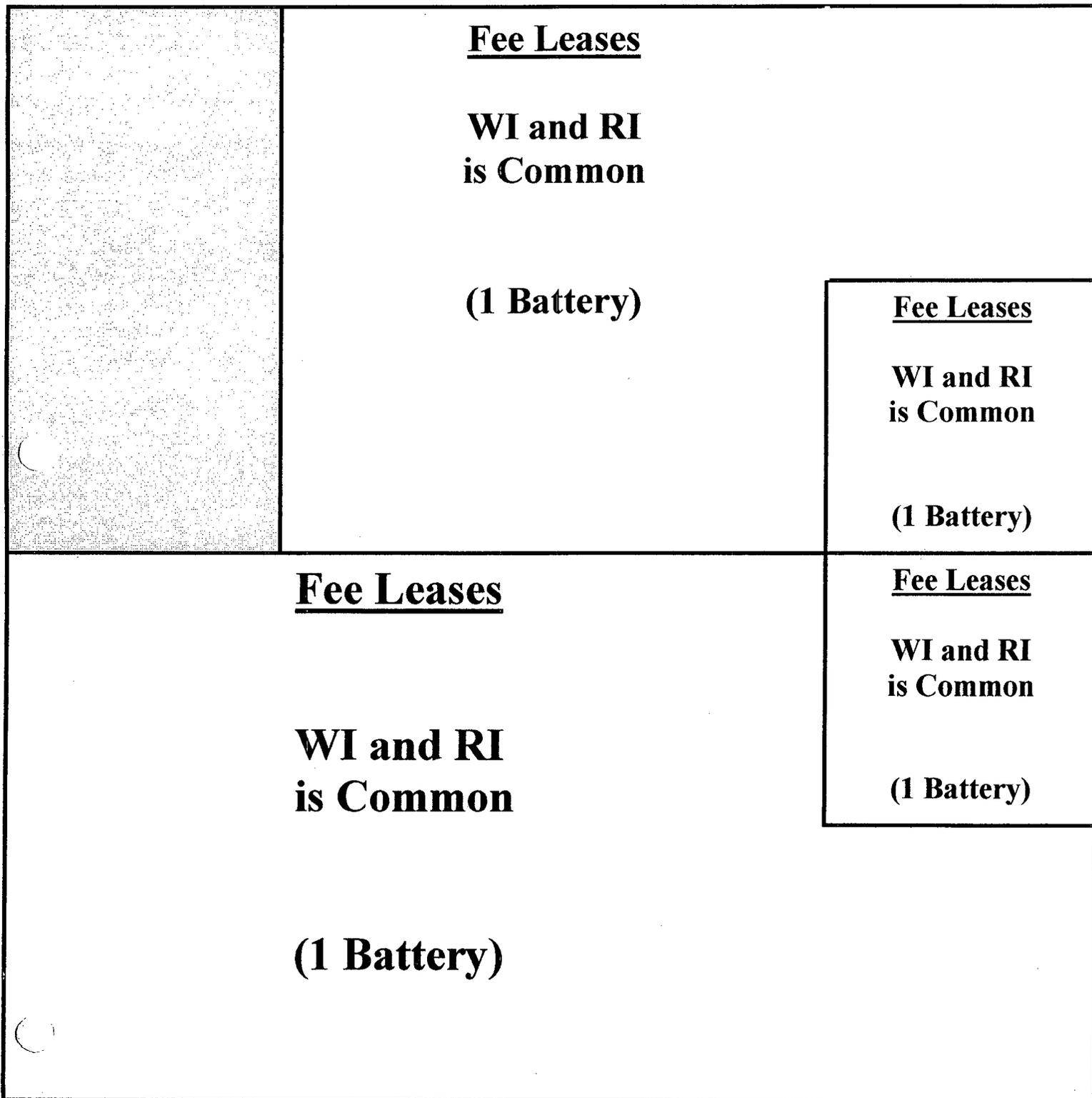
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jessie Lathan</i> 4/11/11 Signature Date</p> <p>Jessie Lathan Printed Name</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 20 2009 Date Surveyed</p> <p><i>[Signature]</i> Signature of Professional Surveyor</p> <p>7977 Professional Surveyor No.</p> <p>Certificate No. Gary L. Jones 7977</p>
	<p>SURFACE LOCATION Lat - N 32°38'43.06" Long - W 104°26'42.50" NMSPCS - N 598487.167 E 465586.200 (NAD-27)</p>
	<p>BASIN SURVEYS</p>

WI and RI Ownership
Section 24, T19S, R25E
Eddy County, New Mexico

** This plat is based on the assumption that all parties participate in the proposed wells.
(Subject to change based on the parties in the Working Interest Unit)*



OFF LEASE STORE AND MEASURE PRODUCTION

Wyatt Draw 24 L No. 1
Wyatt Draw 24 KC No. 1H
Wyatt Draw 24/25 LE No. 1H
Section 24 and 25, T19S, R25E
Eddy County, New Mexico

Mineral Owners:

Apache Corporation
303 Veterans Airpark Lane, Ste. 3000
Midland, Texas 79705
Attn: Mr. Paul Brindle

Danny Eichenberger, Trustee of the
2004 Eichenberger Family Trust
P.O. Box 2737
Los Alamitos, CA 90720

Good Earth Minerals, LLC
P.O. Box 1090
Roswell, NM 88202-1090

Myrtle Heard
c/o Charles Heard
33 Marcus Lane
Castle Rock, CO 80108

Sherman U. Hickam
1120 Pepper Drive #173
El Cajon, CA 92021

Marshall & Winston, Inc.
P.O. Box 50880
Midland, Texas 79710
Attn: Mr. Kevin Hammit

Matlock Minerals Ltd. Co.
P.O. Box 1090
Roswell, NM 88202-1090

Phyllis J. Miller
10400 Delicado PL. N.E.
Albuquerque, NM 87111

Bonnie Powell
5071 Rio Penasco Road
Hope, New Mexico 88250

Gary and Alyse Ross
205 Indian Trail
Searcy, Arkansas 72143

Working Interest Owners:

Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, Texas 79701
Attn: Mr. Larry Cunningham

Marshall & Winston, Inc.
P.O. Box 50880
Midland, Texas 79710
Attn: Mr. Kevin Hammit

Fiske Energy, Ltd.
306 W. Wall, Ste. 1105
Midland, Texas 79701
Attn: Mr. Doug Fiske

Petro-Quest Oil & Gas, LP
P.O. Box 294151
Kerrville, Texas 78029
Attn: Mr. Mark W. Hoffman

Teton Petroleum Corporation
1104 Lois St.
Kerrville, Texas 78028
Attn: Mr. Kent Rhyne

Harvey E. Yates Company
P.O. Box 1933
Roswell, NM 88202
Attn: Mrs. Melissa Randle

Hollyhock, Ltd.
44 Vista Montana Loop
Placitas, NM 87043
Attn: Mr. Richard B. Lodewick

Lodewick, LLC
3305 Wentwood
Dallas, TX 75225
Attn: Mr. John W. Lodewick

COG Operating, LLC
550 W. Texas Avenue, Suite 100
Midland, Texas 79701
Attn: Mr. Stuart Dirks

OFF LEASE STORE AND MEASURE PRODUCTION

Wyatt Draw 24 L No. 1
Wyatt Draw 24 KC No. 1H
Wyatt Draw 24/25 LE No. 1H
Section 24 and 25, T19S, R25E
Eddy County, New Mexico

J.T. Ross
P.O. Box 216
Lakewood, New Mexico 88254

Ralph and Laurie Ross
2197 Liliuokalani Street
Kilauea, HI 96754

Robert and Kary Ross
P.O. Box 8334
Searcy, AR 72145

Ronald and Barbara Ross
1902 Hermosa
Artesia, New Mexico 88210

Ruby S. Ross, Trustee of the
Ruby S. Ross Trust
1408 James Street
Artesia, NM 88210

William Ross
3401 S. 13th Street
Artesia, NM 88210

Eva Troike
630 32nd Street
Richmond, CA 94804

B&G Royalties Partnership
P.O. Box 376
Artesia, New Mexico 88211
Attn: Mr. William J. McCaw

John W. Gates, LLC
706 W. Grand
Artesia, NM 88210

Nora Helen McCaw, Trustee of the Marital Trust, and
Norbert M. McCaw, Roberta A. Cleary and Winie H. Hayes,
Trustees of the Family Trust, all under the McCaw Family Trust dated 3-1-1992
210 Crossbow Road
Artesia, NM 88210

Charlene S. Byers
579 Popular Way
Denver, CO 80224

MEC Petroleum Corporation
P.O. Box 11265
Midland, Texas 79702
Attn: Mr. Marion Causey

Murchison Oil & Gas, Inc.
300 N. Marienfeld, Suite 300
Midland, Texas 79701
Attn: Mr. Mike Heathington

Sacramento Partners Lim. Part.
105 S. Fourth Street
Artesia, NM 88210

Sharbro Oil Ltd. Co.
P.O. Box 840
Artesia, NM 88211
Attn: Mrs. Hannah Palomin

Nearburg Exploration Company, LLC
3300 North "A" Street, Bldg. 2, Ste. 120
Midland, Texas 79705
Attn: Mr. Russell Wickman

OFF LEASE STORE AND MEASURE PRODUCTION

Wyatt Draw 24 L No. 1
Wyatt Draw 24 KC No. 1H
Wyatt Draw 24/25 LE No. 1H
Section 24 and 25, T19S, R25E
Eddy County, New Mexico

Samuel H. Soto, Jr.
401 E. Orchard Lane
Carlsbad, New Mexico 88220

Catherine Ball
31442 CR 40.2
Trinidad, CO 81082

Adeline and Wesley Brown
135 East Troy Avenue
Raton, New Mexico 87440

Dora Hartman
205 N. Mesa Street, Apt. 203
Susanville, CA 96130

William Valentine
5206 7th Street
Lubbock, Texas 79416

Marilyn Van DeMark, Trustee of the
Marilyn Van DeMark Trust dated 9-17-2001
146 Garden Street
Prescott, AZ 86301

Ralph Gagliardi
16301 County Road 81.6
Trinidad, CO 81082

Loretta Paolucci
2015 Raton Avenue
La Junta, CO 81050

Lynn Sundfor-McPherson
4536 Natalie Drive
San Diego, California 92115

Paul Sundfor
5001 Raymond Place
San Diego, CA 92116

Hollyhock, Ltd.
Lodewick, LLC
Sacramento Partners Limited Partnership

OFF LEASE STORE AND MEASURE PRODUCTION

Wyatt Draw 24 L No. 1
Wyatt Draw 24 KC No. 1H
Wyatt Draw 24/25 LE No. 1H
Section 24 and 25, T19S, R25E
Eddy County, New Mexico

Spiral, Inc.
P.O. Box 1933
Roswell, NM 88202
Attn: Melissa Randle

PJC Limited Partnership
P.O. Box 1713
Roswell, New Mexico 88202

S.P. Johnson, III & Barbara Jo Johnson,
Co-Trustees of the S.P. Johnson, III &
Barbara Jo Johnson Trust UTA dated 1-24-1985
P.O. Box 1641
Roswell, New Mexico 88202

Overriding Royalty Owners:

El Paso E&P Company, LP
P.O. Box 2511
Houston, Texas 77252

Nearburg Exploration Company, LLC
3300 North "A" Street, Bldg. 2, Ste. 120
Midland, Texas 79705
Attn: Mr. Russell Wickman

Nearburg Producing Company
3300 North "A" Street, Bldg. 2, Ste. 120
Midland, Texas 79705
Attn: Mr. Russell Wickman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

April 7, 2011

Via Certified Mail-Return Receipt No. 6133

Murchison Oil & Gas, Inc.
300 N. Marienfeld, Suite 300
Midland, Texas 79701
Attn: Mr. Mike Heathington

Re: Off Lease Store &
Measure Production
Wyatt Draw 24 L No. 1
2310' FSL & 330' FWL
Section 24, T19S, R25E
Eddy County, New Mexico

Wyatt Draw 24 KC No. 1H
990' FSL & 1650' FWL (SL)
330' FNL & 1650' FWL (BHL)
Section 24, T19S, R25E
Eddy County, New Mexico

Wyatt Draw 24/25 LE No. 1H
2310' FSL & 560' FWL (SL) (Sec. 24)
2310' FNL & 560' FWL (BHL) (Sec. 25)
Section 24/25, T19S, R25E
Eddy County, New Mexico

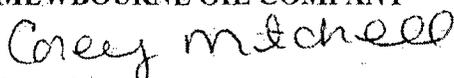
Gentlemen:

Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division seeking authorization to off lease store & measure production from the North Seven Rivers; Glorieta-Yeso Pool originating from the Wyatt Draw 24 L No. 1, Wyatt Draw 24 KC No. 1H and the Wyatt Draw 24/25 LE No. 1H wells located on Fee Leases, which comprise the W/2SW/4, NE/4SW/4 and E/2NW/4 of Section 24 and the W/2NW/4 of Section 25, all in T19S, R25E, Eddy County, New Mexico. All production from these wells is to be stored in the Wyatt Draw 24 L Tank Battery, located in the NW/4SW/4 of Section 24. Mewbourne Oil Company will use well test in order to accurately determine each wells production. The reason for doing this is to save approximately \$150,000.00 in oil production facilities. If you object to the application, you must notify the Division in writing no later than 20 days from the date of this letter (the Division's address is 1220 South St. Francis Drive, Santa Fe, New Mexico 87505). Failure to object will preclude you from contesting this matter later.

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

Sincerely,

MEWBOURNE OIL COMPANY



Corey Mitchell
Landman