

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Kathy McCarroll, being first duly sworn,
on oath says:

That she is the Classified Supervisor of the Carlsbad Current-Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

June 23 _____ 2012

That the cost of publication is **\$85.39** and that payment thereof has been made and will be assessed as court costs.

Kathy McCarroll

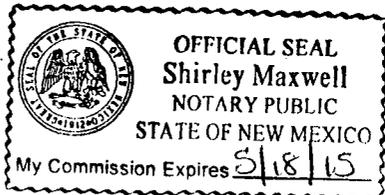
Subscribed and sworn to before me this

27th day of June, 2012

Shirley Maxwell

My commission Expires on May 18, 2015

Notary Public



Oil Conservation Division
Case No. 7
Exhibit No.

June 23, 2012

NOTICE

To: Louis Berney, David A. Metts, Howard Y. Williams, Jr., James S. Henry, Marion Henry, Claire E. Peper, Martin C. Peper, Terry Christianson, Richard Kiene, Rita A. Kiene, Union Producing Company, F.F. Zdenek, Anusaya Zdenek, Robert Urista, Jere Urista, Leslea Ingram Cole, LSN, and Pauline Mellichar, Trustee, or your heirs, devisees, or successors. Mewbourne Oil Company seeks an order approving a 160.11-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of Lot 3, SE/4NW/4, and E/2SW/4 (the E/2W/2) of Section 5, Township 20 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the non-standard 160.11-acre oil spacing and proration unit (project area) for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the West Draw 5-NC Well No. 1, a horizontal well with a surface location in the NE/4NW/4 of adjoining Section 8, and a term minus in Lot 3 of Section 5. 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. The application is scheduled to be heard at 8:15 a.m. on Thursday, July 12, 2012 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the well units you have, the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The unit is located approximately 15 miles west-northwest of Seven Rivers, New Mexico.