

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

July 2, 2008

Via Email and U.S. Mail

Chevron U.S.A. Inc.
Attn: Ms. Stephanie Magers
P.O. Box 36366
Houston, Texas 77236-6366

Re: Withdrawal of Proposed Morrow Test
Paloma "21" Fed COM #1
660' FSL & 660' FWL,
Section 21, T-20-S, R-36-E
Lea County, New Mexico
Paloma Prospect

Dear Ms. Magers:

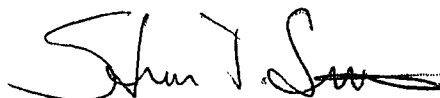
Referencing Mewbourne Oil Company's letter dated December 18, 2007 proposing to drill the referenced well as an 11,600' Morrow test, and Mewbourne's letter dated February 20, 2008 to, in lieu of Chevron's participation in said well, take a Term Assignment covering Chevron's 25.0% interest in Federal Lease NM-89873 insofar as it covers the SE/4NW/4, S/2NE/4 and S/2 of Section 21, T-20-S, R-36-E, Lea County, New Mexico.

This letter is to advise that Mewbourne Oil Company has decided to withdraw its proposal to drill this well at the above described location. It is our desire to drill a Morrow test in this section at a different location and I will be sending you a replacement well proposal in the near future.

Feel free to call me if you have any questions or would like to discuss this proposal in greater detail. My phone number is (432) 682-3715 or via email at ssmith@mewbourne.com.

Sincerely,

MEWBOURNE OIL COMPANY



Steven J. Smith
Senior Landman

Oil Conservation Division

Case No. _____

Exhibit No. 3B

MEWBOURNE OIL COMPANY

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MIDLAND, TEXAS 79701

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July 2, 2008

Via Email and U.S. Mail

ConocoPhillips Company
Attn: Mr. Tom J. Scarbrough
600 N. Dairy Ashford Street
3WL-14066
Houston, Texas 77079-1100

Re: Withdrawal of Well Proposal
Paloma "21" Fed COM #1
660' FSL & 660' FWL,
Section 21, T-20-S, R-36-E
Lea County, New Mexico
Paloma Prospect

Gentlemen:

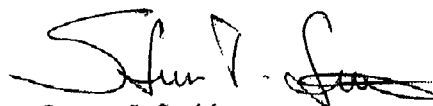
By letter dated December 18, 2007, Mewbourne Oil Company ("Mewbourne") proposed drilling an 11,600' Morrow test at a location 660' FSL & 660' FWL of Section 21, T-20-S, R-36-E, Lea County, New Mexico to be called the Paloma "21" Fed COM #1 well and the formation of a 640 acre working interest unit for the drilling of the proposed well covering all of said Section 21.

This letter is to advise that Mewbourne has decided to and hereby does withdraw its proposal to drill this well at the above described location due to its proximity to several wells that have or are currently being drilled in the immediate vicinity.

Feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at ssmith@mewbourne.com.

Sincerely,

MEWBOURNE OIL COMPANY



Steven J. Smith
Senior Landman

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July 2, 2008

Via Email and U.S. Mail

Mr. Richard K. Barr
P.O. Box 847
Boerne, Texas 78006

Re: Withdrawal of Well Proposal
Paloma "21" Fed COM #1
660' FSL & 660' FWL,
Section 21, T-20-S, R-36-E
Lea County, New Mexico
Paloma Prospect

Dear Richard:

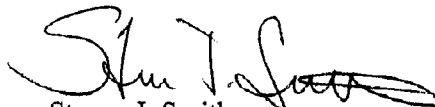
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Feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at ssmith@mewbourne.com.

Sincerely,

MEWBOURNE OIL COMPANY



Steven J. Smith
Senior Landman

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MIDLAND, TEXAS 79701

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July 2, 2008

Via Email and U.S. Mail

Mr. Scott E. Wilson
4601 Mirador Dr.
Austin, Texas 78735-1554

Re: Withdrawal of Well Proposal
Paloma "21" Fed COM #1
660' FSL & 660' FWL,
Section 21, T-20-S, R-36-E
Lea County, New Mexico
Paloma Prospect

Dear Scott:

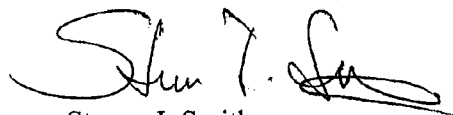
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This letter is to advise that Mewbourne has decided to and hereby does withdraw its proposal to drill this well at the above described location due to its proximity to several wells that have or are currently being drilled in the immediate vicinity.

Feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at ssmith@mewbourne.com.

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MEWBOURNE OIL COMPANY



Steven J. Smith
Senior Landman

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MIDLAND, TEXAS 79701

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July 2, 2008

Via Email and U. S. Mail

Chesapeake Exploration, LLC
Attn: Mr. Kevin Pfister
P.O. Box 18496
Oklahoma City, Oklahoma 73154-0496

Re: Withdrawal of Well Proposal
Paloma "21" Fed COM #1
660' FSL & 660' FWL,
Section 21, T-20-S, R-36-E
Lea County, New Mexico
Paloma Prospect

Ladies and Gentlemen:

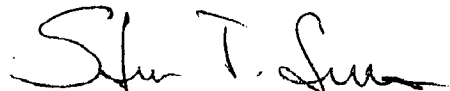
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This letter is to advise that Mewbourne has decided to and hereby does withdraw its proposal to drill this well at the above described location due to its proximity to several wells that have or are currently being drilled in the immediate vicinity.

Feel free to contact me if you have any questions. I can be reached by phone at (432) 682-3715 or via email at ssmith@mewbourne.com.

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Steven J. Smith
Senior Landman

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July 2, 2008

Via Email and U. S. Mail

Apache Corporation
Attn: Ms. Michelle L. Hanson
6120 S. Yale Avenue, Suite 1500
Tulsa, Oklahoma 74136-4231

Re: Withdrawal of Well Proposal
Paloma "21" Fed COM #1
660' FSL & 660' FWL,
Section 21, T-20-S, R-36-E
Lea County, New Mexico
Paloma Prospect

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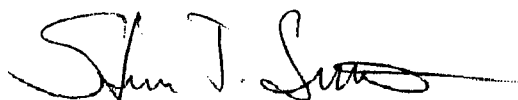
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This letter is to advise that Mewbourne has decided to and hereby does withdraw its proposal to drill this well at the above described location due to its proximity to several wells that have or are currently being drilled in the immediate vicinity.

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