JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

September 17, 2009

Terry G. Warnell Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Case No. 14348/Mewbourne Oil Company

Dear Terry:

As we discussed, enclosed is a corrected Exhibit 1 in the above case, which lists an additional interest owner (Flora M. Needham) who was notified of the hearing but was omitted from the landman's affidavit. I ask that this be placed in the case file.

RECEIVED OCD

Heard July 23,2009

Very truly yours,

.

Attorney for Mewbourne Oil Company

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, EDDY COUNTY, NEW MEXICO.

Case No. 14,348

VERIFIED STATEMENT OF COREY MITCHELL

Corey Mitchell, being duly sworn upon his oath, deposes and states:

- 1. I am a landman for Mewbourne Oil Company, and have personal knowledge of the matters stated herein.
- 2. Pursuant to Division Rule 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 working interest owners being pooled are unlocatable, or have been contacted regarding the proposed well and have simply not decided whether to join in the well or lease or farm out their interests.
 - (b) A plat outlining the spacing unit being pooled is attached hereto as Exhibit A. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the SE¼SW¼ of Section 15, Township 20 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. The unit will be dedicated to the Limousine "15" N Well No. 1, to be drilled at an orthodox location in the SE¼SW¼ of Section 15. The well will be an oil well.
 - (c) The parties being pooled, their working interests in the well unit, and their last known addresses, are as follows:
 - 1) Georgia Needham DISMISS 0.286961% c/o Lewis R. Needham 8345 Cherokee Road Lake Arthur, New Mexico 88253

Oil Conserva	ition Division
Case No.	
Exhibit No.	

2)	Billy Joe Green 4514 S.W. 169 Pl. Ocala, Florida 34473	0.035870%
3)	Harold Parrish — DISMISS 2106 Richey Artesia, New Mexico 88210	0.172176%
4)	Wray J. Shildneck P.O. Box 111 Faywood, New Mexico 88034	0.137741%
5)	Heirs or Devisees of Robert Richard Green 105 Dolphin Court Aransas Pass, Texas 78336	0.035870%
6)	Larry Edward Fanning 1413 W. Mermod Carlsbad, New Mexico 88220	1.010101%
7)	Jack Brock and his wife, Bobbie N. Brock 1180 W. Bluff Road Crange, Texas 77632	0.055096%
8)	Margaret R. Sheldon P.O. Box 404 Kingsland, Texas 78639	0.055096%
9)	J.C. Sims, Jr. and his wife, Phyllis Sims P.O. Box 260884 Lakewood, Colorado 80226	0.055096%
10)	Bill R. Needham and his wife, Helen M. Needham 9756 Blazing Star La Porte, Texas 77571	0.055096%
11)	M. LaVerne Drew Address Unknown	0.191307%
12)	Ben Richard Green Address Unknown	0.023913%
13)	Heirs or Devisees of Martin Douglas Hardcastle, Address Unknown	0.068871%
(13A)	Flora M. Needham, deceased 0.17	72176%

14)	Martin Douglas Hardcastle, Jr. Address Unknown	0.068871%
15)	Heirs or Devisees of Evelyn Barnett Address Unknown	0.068871%
16)	Heirs or Devisees of Torita Ross Address Unknown	0.068871%
17)	Heirs or Devisees of Leola Needham Watson Address Unknown	0.286961%
18)	Ruth E. Hinman Address Unknown	1.010101%
19)	Jean E. Doud Address Unknown	1.010101%
20)	Ella J. Owens Address Unknown	3.030303%
21)	Eva D. Donaldson Address Unknown	3.030303%
22)	Georgia E. Kotlinski Address Unknown	1.010101%

- (d) A copy of the proposal letter sent to the uncommitted working interest owners is attached hereto as Exhibit B. In addition, several phone calls have been made to the interest owners.
- (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 out-of-state owners, and internet directories.
- (f) Pursuant to Division rules, applicant requests that a 200% risk charge be assessed against a non-consenting working interest owner.
- (g) A copy of the Authority for Expenditure for the proposed well is attached hereto as Exhibit C. 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.
- (h) Overhead charges of \$4000/month for a drilling well, and \$400/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.

(i) Applicant requests that it be designated operator of the well.

VERIFICATION

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

Corey Mitchell, being duly sworn upon his oath, deposes and states that: He is a landman for Mewbourne Oil Company; he is authorized to make this verification on its behalf; he has read the foregoing statement, and knows the contents thereof; and the same is true and correct to the best of his knowledge, information, and belief.

Corev Mitchell

SUBSCRIBED AND SWORN TO before me this

_ day of September, 2009 by

Corey Mitcl

RHONDA E. NOLLEY MY COMMISSION EXPIRES September 21, 2013

My Commission Expires

Notary Public

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Summary of Communications Limousine "15" N Well No. 1

Larry Edward Fanning

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event he elected not to participate and subject to him getting the liens against the property released.
- 2) Received green card signed by Larry E. Fanning.

Bill R. and Helen M. Needham

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event they elected not to participate.
- 2) Received green card signed by Helen Needham.
- 3) Helen Needham called me 7-1-2009 to discuss the well proposal. I explained her options to her and she said she would get back with me. Also, she informed me Bill (her husband) had passed away.
- Talked with Helen Needham 7-14-2009 about the well proposal and she said she wanted to lease her interest to us. I told her I would send her a lease, but I needed to see Bill Needham's (her husband) Last Will and Testament before the deal would be complete.
- 5) Mailed offer letter dated 7-14-2009 along with an Oil and Gas Lease.

Billy Joe Green

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event he elected not to participate.
- 2) Received green card signed by Billy Green.

Georgia Needham

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event she elected not to participate.
- 2) Received green card signed by Susan Needham.
- Talked with Susan Needham 7-14-2009 about the well proposal and she said Georgia Needham wanted to lease her interest to us. She stated her husband, Lewis Needham, had Power of Attorney for Georgia Needham and that Georgia Needham is living in a nursing home. I told her I would send her a lease, but I needed to see the Power of Attorney papers before the deal would be complete.
- 4) Mailed offer letter dated 7-14-2009 along with an Oil and Gas Lease.

Harold Parrish

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event he elected not to participate.
- 2) Received green card signed by Nathan Monk.
- 3) Harold Parrish called me 6-26-2009 and stated he received our well proposal and he would like to lease his interest to us.
- 4) I called Harold Parrish 7-1-2009 to discuss title issues per our title opinion. No answer, left message to call me back.



- 5) Harold Parrish called me back 7-1-2009 and I informed him the SE/4SW/4 of Section 15 never transferred into him. He said all his files were stolen in a home burglary, but he would look and get back with me.
- Talked with Harold Parrish 7-14-2009 and informed him we would have to force pool the interest he claimed (from Flora Needham, dec.) since he could not provide proper documentation of the interest transferring to him. He said he understood.

Jack and Bobbie N. Brock

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event they elected not to participate.
- 2) Received green card signed by Jack Brock.
- Talked with Margaret Sheldon 7-14-2009 and she said she would like to lease her interest to us and her sister, Bobbie Brock, would too.
- 4) Talked with Bobbie Brock 7-14-2009 and she said she would like to lease her interest to us.
- 5) Mailed offer letter dated 7-14-2009 along with an Oil and Gas Lease.

J.C. Sims, Jr. and Phyllis Sims

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event they elected not to participate.
- 2) Received green card signed by John C. Sims, Jr.
- 3) Talked with Phyllis Sims 7-13-2009 and explained to her the well proposal. She said she would talk to Margaret Sheldon and get back with me.
- 4) Talked with Phyllis Sims 7-14-2009 and she said she would like to lease her interest to us.
- 5) Mailed offer letter dated 7-14-2009 along with an Oil and Gas Lease.

Margaret R. Sheldon

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event she elected not to participate.
- 2) Received green card signed by Margaret R. Sheldon.
- 3) Talked with Margaret Sheldon 7-13-2009 and explained to her the well proposal. She said she would talk with her son and get back to me.
- 4) Talked with Margaret Sheldon 7-14-2009 and she said she would like to lease her interest to us and her sister, Bobbie Brock, would too.
- 5) Mailed offer letter dated 7-14-2009 along with an Oil and Gas Lease.

Heirs or Devisees of Robert Richard Green, deceased

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event they elected not to participate and upon satisfaction of proper documentation showing the heirs of Robert Richard Green.
- 2) Received green card signed by Lois Green.

Summary of Communications Limousine "15" N Well No.1 Page 3 of 3

Wray J. Shildneck

- 1) Mailed well proposal letter with AFE via certified mail dated 6-19-2009. Offered to acquire a six (6) month Oil and Gas Lease in the event he elected not to participate.
- 2) Received green card signed by Nina Shildneck.
- 3) Paul Haden, with Mewbourne, talked with Nina Shildneck about the well proposal. He explained to them their options at which time they stated they wanted to lease their interest to us.
- 4) Mailed offer letter dated 7-14-2009 along with an Oil and Gas Lease.

M. LaVerne Drew

1) Unable to locate.

Ben Richard Green

1) Unable to locate.

Heirs or Devisees of Martin Douglas Hardcastle, deceased

1) Unable to locate.

Martin Douglas Hardcastle, Jr.

1) Unable to locate.

Heirs or Devisees of Evelyn Barnett, deceased

1) Unable to locate.

Heirs or Devisees of Torita Ross, deceased

1) Unable to locate.

Heirs or Devisees of Leola Needham Watson, deceased

1) Unable to locate.

Ruth E. Hinman

1) Unable to locate.

Jean E. Doud

1) Unable to locate.

Ella J. Owens

1) Unable to locate.

Eva D. Donaldson

1) Unable to locate.

Georgia E. Kotlinski

1) Unable to locate.

SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiace or on the front if space permits. 1. Article Addressed to: Larry Edward Fanning 1413 W. Mermod	A. Signature X
Carlsbad, New Mexico 88220	3. Service Type Certified Mail
·	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label)	7005 2570 0001 0978 1115
PS Form 3811, February 2004 Domestic Ref	urn Receipt 102595-02-M-1540

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1116

Larry Edward Fanning 1413 W. Mermod Carlsbad, New Mexico 88220

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Mr. Fanning:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 1/99 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

The above lease offer is subject to you getting the below described liens released.

- -Transcript of Judgment filed January 7, 1999, recorded in B341 P298, Eddy County Records, reflecting a judgment lien was taken against Myrna J. Fanning and Larry Edward Fanning by Rossrock, LLC. This judgment arose out of Case No. CV-96-347 in the District Court of Eddy County, New Mexico, and is in the amount of \$51,272.12.
- -A notice of claim of tax lien filed by the State of New Mexico on November 18, 1993 in B173 P346, Eddy County Records, reflecting a tax lien upon property of Larry Fanning in the amount of \$1,746.35 for 1988 taxes.

Larry Fanning Limousine "15" Prospect June 19, 2009 Page 2 of 2

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

Comey Mitchell

Limousine is N		TE THIS SECTION ON DEL	N/FOV \$ \$ \$ \$
■ Complete items 1, 2, and 3. Also item 4 if Restricted Delivery is de Print your name and address on so that we can return the card to Attach this card to the back of the or on the front if space permits. 1. Article Addressed to:	complete esired. the reverse o you. he mailpiece, D. Is deli		☐ Agent ☐ Addressee C. Date of Delivery 7 17 ☐ Yes
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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1055

Bill R. and Helen M. Needham 9756 Blazing Star La Porte, Texas 77571

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Mr. and Mrs. Needham:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

Sincerely,

MEWBOURNE OIL COMPANY

('ney Mitchell
Corey Mitchell
Landman

	SENDER COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X Addressee B. Received by (Minted Name) C. Date of Delivery
	1. Article Addressed to:	D. Is delivery address different from item 1?
	Billy Joe Green 4514 S.W. 169 Pl. Ocala, Florida 34473	
	JUN 2 9 2009	3. Service Type Certified Mail
* 2,		4. Restricted Delivery? (Extra Fee)
	2. Article Number (Transfer from service label) 7005	2570 0001 0978 1062
	PS Form 3811, February 2004 Domestic Retr	urn Receipt 102595-02-M-1540
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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1062

Billy Joe Green 4514 S.W. 169 Pl. Ocala, Florida 34473

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Mr. Green:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 25/69696 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature A. Signature Addressee B. Received by (Printed Name) C. Date of Delivery C. Date of Delivery D. Is delivery address different from item 1? Yes
, t	1. Article Addressed to: Georgia Needham c/o Lewis R. Needham 8345 Cherokee Road Lake Arthur, New Mexico 88253	If YES, enter delivery address below: No 3. Service Type Certifled Mail
	Article Number 7 [(Transfer from service label)	05 2570 0001 0978 1079
	PS Form 3811, February 2004 Domestic R	leturn Receipt 102595-02-M-1540

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1079

Georgia Needham c/o Lewis R. Needham 8345 Cherokee Road Lake Arthur, New Mexico 88253

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Ms. Needham:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 25/8712 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

	SENDER: COMPLETE THIS SECTION.	COMPLETE THIS SECTION ON DELIVERY
	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature Agent Addressee B. Received by (Printed Name) C. Date of Delivery C. Date of Delivery
	1. Article Addressed to:	D. Is delivery address different from Item 1?
	Harold Parrish 2106 Richey	
. 8	Artesia, New Mexico 88210	3. Service Type Certified Mail
	:	4. Restricted Delivery? (Extra Fee)
	Article Number (Transfer from service label))5 2570 0001 0978 1086
	PS Form 3811, February 2004 Domestic Re	turn Receipt 102595-02-M-1640

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	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	B. Received by (Printed Name). C. Date of D
	Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
	Jack and Bobbie N. Brock 1180 W. Bluff Road	JUN 2 6 2000)
	Orange, Texas 77632	3. Service Type Certifled Mall Express Mail Registered Return Receipt for Merch Insured Mail C.O.D.
	JUN 2 9 2009	4. Restricted Delivery? (Extra Fee)
ŧ	Article Number (Transfer from service label)	7005 2570 0001 0978 1093

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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1093

Jack and Bobbie N. Brock 1180 W. Bluff Road Orange, Texas 77632

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Mr. and Mrs. Brock:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

Coney mitchell

,	SENDER COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
	■ Complete items 1, 2, and 3. Also complete	A_Signature /
	item 4 if Restricted Delivery is desired.	Agent
:	Print your name and address on the reverse so that we can return the card to you.	B. Received by (Printed Name) C, Date of Derivery
	Attach this card to the back of the mailpiece, or on the front if space permits.	JOHN C. SIMS SR 6/21/39
	Article Addressed to:	D. Is delivery address different from item 1?
	. This is the second to	If YES, enter delivery address below: No
	I.C. Sims. In and Dhyllis Sims.	
ı	D.O. Day 260004	
	Lakewood, Colorado 80226	
!		3. Service Type Certified Mail Express Mail
!		Registered Return Receipt for Merchandise
9	JUN 2 9 2009	☐ Insured Mail ☐ C.O.D.
:		4. Restricted Delivery? (Extra Fee) Yes
i-	2. Article Number	005 2570 0001 0978 1109

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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1109

J.C. Sims, Jr. and Phyllis Sims P.O. Box 260884 Lakewood, Colorado 80226

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Mr. and Mrs. Sims:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

cimousine 15 N =1	The state of the s				
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY				
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse 	A. Signature X Addressee				
so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery				
Article Addressed to:	D. Is delivery address different from item 12				
Margaret R. Sheldon P.O. Box 404	÷				
Kingsland, Texas 78639					
*	3. Service Type Certified Mail Registered Insured Mail C.O.D.				
JUN 2 9 2009	4. Restricted Delivery? (Extra Fee) ☐ Yes				
Article Number (Transfer from service label)	05 2570 0001 0978 1123				
PS Form 3811, February 2004 Domestic Retu	urn Receipt 102595-02-M-1540				

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1123

Margaret R. Sheldon P.O. Box 404 Kingsland, Texas 78639

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Ms. Sheldon:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

SENDEN COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
Complete tems 1, 2, and 3. Also complete tem 4 if Restricted Delivery is desired.	A. Signature Agent Addressee		
so that we can return the card to you. Attach fine card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery 6-25		
1 Alticle Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No		
Lois Green			
	1		
///// Dolphin Court			
105 Dolphin Court Arahsas Pass, Texas 78336	3. Service Type Certified Mall Registered Insured Mail C.O.D.		
///// Dolphin Court	Certified Mail		

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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1130

Heirs or Devisees of Robert Richard Green, deceased 105 Dolphin Court Aransas Pass, Texas 78336

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Ms. Green:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 25/69696 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

The above lease offer is subject to proper documentation showing the heirs of Robert Richard Green, deceased

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

SENDER: COMPLETE THIS SECTION Complete Items 1, 2, and 3. Also complete item 4 if Hestricted Delivery is desired. Frint your name and address on the reverse so that we can return the card to you. Attack this card to the back of the mailpiece, of on the front if space permits.	A. Signature X. Signature A. Signature Addressee B. Received by (Printed Name) Nina Shild neck
Wray J. Shildneck P.O. Box 111	D. Is delivery address different from item 1?
JUN 3 0 2009	3. Service Type Certified Mail
Article Number (Valysfer flom service label)	4. Restricted Delivery? (Extra Fee)
PS Form 38 1, February 2004 Domestic	c Return Receipt 102595-02-M-1540

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500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

(575) 586-3111

June 19, 2009

Via Certified Mail-Return Receipt No. 1147

Wray J. Shildneck P.O. Box 111

Faywood, New Mexico 88034

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S, R25E

Eddy County, New Mexico

Dear Mr. Shildneck:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

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Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 1/726 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

Coney milchell

3 GET RACK WITH ME.

 7-14-2009 - TALKED WITH HELEN NEEDHAM ABOUT THE WELL PROPOSAL ?
SHE SATD SHE WANTED TO LEASE.
7-14-2009 - TALKED WITH MARGARET SHELDON & SHE SAID SHE WOULD LIKE TO LEASE & HER SISTER BOBBLE BROCK WOULD TOO.
7-14-2009 - TALKED WITH PHYLLIS SIMS & SHE SAID SHE WOULD LIKE TO LEASE TO US.
7-14-2009 - TALKED WITH SUSAN NEEDHAM? SHE SAFD GEORGIA NEEDHAM WOULD LIKE TO LEASE TO US AND SHE WAS IN A NURSING HOME.
7-14-2009 - TALKED WITH ROBBLE BROCK & SHE SAID SHE WOULD LIKE TO LEASE TO US.
7-14-2009 - TALKED WETH HAROLD PARRISH ? INFORMED HIM WE WOULD HAVE TO FORCE POOL THE INTEREST HE CLAIMED (FROM FLORA NEEDHAM, DEC.) SINCE HE COULD NOT PROVIDE PROPER DOCUMENTATION OF THE INTEREST TRANSFERRENCY TO HIM.

.. ...

-||-

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 14, 2009

Helen M. Needham 9756 Blazing Star La Porte, Texas 77571

Re:

MOC's Limousine "15" Prospect SW/4 of Section 15, T20S, R25E Eddy County, New Mexico

Dear Ms. Needham:

Enclosed for your further handling is an Oil and Gas Lease prepared for your signature. Also enclosed is a copy of the Oil and Gas Lease for your keeping. The Oil and Gas Lease covers your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month term and providing a 3/16 royalty interest. Also, please send back a copy of Bill Needham's Last Will and Testament along with a death certificate with the Oil and Gas Lease. We need a copy of the referenced documents in order to ensure his interest transferred to you.

Regarding the above, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and return same in the enclosed postage paid envelope provided for your convenience.

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

mitchell

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 14, 2009

J.C. Sims, Jr. and Phyllis Sims P.O. Box 260884 Lakewood, Colorado 80226

Re:

MOC's Limousine "15" Prospect SW/4 of Section 15, T20S, R25E Eddy County, New Mexico

Dear Mr. and Mrs. Sims:

Enclosed for your further handling is an Oil and Gas Lease prepared for your signature. Also enclosed is a copy of the Oil and Gas Lease for your keeping. The Oil and Gas Lease covers your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month term and providing a 3/16 royalty interest.

Regarding the above, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and return same in the enclosed postage paid envelope provided for your convenience.

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

Coney mitchell

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 14, 2009

Margaret R. Sheldon 104 Bridgepoint Dr. Kingsland, Texas 78639

Re:

MOC's Limousine "15" Prospect SW/4 of Section 15, T20S, R25E Eddy County, New Mexico

Dear Ms. Sheldon:

Enclosed for your further handling is an Oil and Gas Lease prepared for your signature. Also enclosed is a copy of the Oil and Gas Lease for your keeping. The Oil and Gas Lease covers your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month term and providing a 3/16 royalty interest.

Regarding the above, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and return same in the enclosed postage paid envelope provided for your convenience.

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
Corey Mitchell
Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 14, 2009

Bobbie N. and Jack W. Brock 1180 W. Bluff Road Orange, Texas 77632

Re:

MOC's Limousine "15" Prospect SW/4 of Section 15, T20S, R25E Eddy County, New Mexico

Dear Mr. and Mrs. Brock:

Enclosed for your further handling is an Oil and Gas Lease prepared for your signature. Also enclosed is a copy of the Oil and Gas Lease for your keeping. The Oil and Gas Lease covers your 1/1815 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month term and providing a 3/16 royalty interest.

Regarding the above, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and return same in the enclosed postage paid envelope provided for your convenience.

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

mitchell

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 14, 2009

Lewis R. Needham, A-I-F for Georgia Needham 8345 Cherokee Road Lake Arthur, New Mexico 88253

Re:

MOC's Limousine "15" Prospect SW/4 of Section 15, T20S, R25E Eddy County, New Mexico

Dear Mr. Needham:

Enclosed for your further handling is an Oil and Gas Lease prepared for your signature. Also enclosed is a copy of the Oil and Gas Lease for your keeping. The Oil and Gas Lease covers Georgia Needham's 25/8712 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month term and providing a 3/16 royalty interest.

Regarding the above, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and return same in the enclosed postage paid envelope provided for your convenience. Also, please send back a copy of the Power of Attorney papers with the Oil and Gas Lease.

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

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 13, 2009

Wray J. and Nina Shildneck P.O. Box 111 Faywood, New Mexico 88034

Re:

MOC's Limousine "15" Prospect SW/4 of Section 15, T20S, R25E Eddy County, New Mexico

Dear Mr. and Mrs. Shildneck:

Enclosed for your further handling is an Oil and Gas Lease prepared for your signature. Also enclosed is a copy of the Oil and Gas Lease for your keeping. The Oil and Gas Lease covers your 1/726 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month term and providing a 3/16 royalty interest.

Regarding the above, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and return same in the enclosed postage paid envelope provided for your convenience.

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

Sincerely,

MEWBOURNE OIL COMPANY

Summary of Communications Limousine "15" N Well No. 1

Heirs or Devisees of Flora M. Needham, deceased

- 1) Unable to locate.
- 2) Mailed well proposal letter with AFE via certified mail dated 6-19-2009 to Harold Parrish (son in law). Offered to acquire a six (6) month Oil and Gas Lease in the event he elected not to participate.
- 3) Received green card signed by Nathan Monk.
- 4) Harold Parrish called me 6-26-2009 and stated he received our well proposal and he would like to lease his interest to us.
- 5) I called Harold Parrish 7-1-2009 to discuss title issues per our title opinion. No answer, left message to call me back.
- Harold Parrish called me back 7-1-2009 and I informed him the SE/4SW/4 of Section 15 never transferred into him and it was still in the name of Flora M. Needham. He said all his files were stolen in a home burglary, but he would look for Flora's will or other pertinent documents and get back with me.
- 7) I called Harold Parrish 7-13-2009 to discuss the situation. No answer, left message to call me back.
- 8) I called Harold Parrish 7-14-2009 to discuss the situation. No answer, left message to call me back.
- 9) Talked with Harold Parrish 7-14-2009 and informed him we would have to force pool the interest he claimed (from Flora Needham, dec.) since he could not provide proper documentation of the interest transferring to him. He said he understood and that was fine.

•		
	SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: Harold Parrish 2106 Richey Artesia, New Mexico 88210	A. Signature A. Signature A. Signature A. Agent Addressee B. Received by (<i>Printed Name</i>) C. Date of Delivery D. Is delivery address different from item 1? Yes If YES, enter delivery address below:
	2. Article Number	3. Service Type Certified Mail
• ?		05 2570 0001 0978 1086 eturn Receipt 102595-02-M-1540

•

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2009

Via Certified Mail-Return Receipt No. 1086

Harold Parrish 2106 Richey Artesia, New Mexico 88210

Re:

Limousine "15" N #1 Well SE/4SW/4 of Section 15

T20S. R25E

Eddy County, New Mexico

Dear Mr. Parrish:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being 3,250 feet beneath the surface. The SE/4SW/4 of the captioned Section 15 will be dedicated to the well.

Regarding the above, enclosed for your further handling are two copies of our AFE dated May 28, 2009 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign one copy of the enclosed AFE and return to me within thirty (30) days. Upon our receipt of same, I will forward you our Operating Agreement covering the SE/4SW/4 of the captioned Section 15.

In the event you elect not to participate in the captioned well as to your respective mineral interest, Mewbourne offers to purchase an Oil and Gas Lease from you covering your 5/2904 mineral interest in the SE/4SW/4 of the captioned Section 15 on the basis of no bonus for a six (6) month paid-up Oil and Gas Lease providing a 3/16 royalty interest. This offer is available for your acceptance for a period ending July 15, 2009.

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

Coney mitchell

M. NEEDHAM, DEC.) SINCE HE COULD NOT PROVIDE PROPER

HE SAID HE UNDERSTOOD 3 THAT WAS FINE.

DOCUMENTATION OF THE ENTEREST TRANSFERRING TO HIM.

MEWBOURNE OIL COMPANY AUTHORIZATION FOR EXPENDITURE

			<i></i>			TOR EXILERENT	` _			
Prospect: Long Draw/Quick Draw Yeso		50	Well Name & N	Well Name & No:	Limousine 15N #1					
Field:						Location:		990' FSL & 16	50' FWL	
Section:	15	Block:	Survey.			Township		208	Range:	25E
County: _	unty: Eddy ST: M		NM	NM Proposed Depth		3250'				
:							·	Cost To	Con	npletion

County:	Eddy ST: NM Proposed Depth:	3250'	
	DESCRIPTION	Cost To Casing Point AFE NO.	Completion Cost AFE NO.
	INTANGIBLE COST 180		
	Permits and Surveys	\$2,000	\$1,000
301	Location, Roads and Site Preparation (includes 80' of conductor & cement)	\$95,000	\$1,500
302	Footage or Turnkey Drilling	¢47.700	\$0,000
303 304	Day Work 5 Days @ \$9,000/Day + GRT + 1 day Comp. Fuel 6 Days @ 500 gal/day @ \$1.60/gal	\$47,700 \$4,800	\$9,000
305	Completion / Workover Rig	34,600	\$9,000
306	Mud and Chemicals	\$13,000	\$3,000
307	Cementing	\$7,500	\$15,000
308	Logging, Wireline and Coring Services		\$17,500
309	Casing, Tubing & Snubbing Services	\$3,500	\$4,000
310	Mud Logging		
311	Testing		
312	Treating 2 stage frac - Total 300000 gals & 150000# 20/40 brown sand		\$150,000
313	Water & Other	\$8,000	
	Bits	\$6,000	<u> </u>
	Inspection & Repair Services Misc. Air and Pumping Services	 	
320	Misc. Air and Pumping Services Rig Mobilization & Transportation	\$17,500	
321	Welding and Construction	\$3,000	
322	Engineering & Contract Supervision	\$5,000	
330	Equipment Rental	\$8,000	\$3,000
334	Well / Lease Legal	\$3,000	\$1,000
335	Well / Lease Insurance	\$1,200	
350	Intangible Supplies	\$500	\$500
355	Damages	\$8,000	ļ
360	Pipeline and Electrical ROW and Easements		\$5,000
367	Pipeline Interconnect		
375	Company Supervision	\$7,000	\$6,000
380	Overhead Fixed Rate	\$2,500	\$2,500
398 399	Well Abandonment Contingencies 5% / 5%	\$12,000 \$12,800	(\$12,000) \$10,700
	Total Intangibles	\$268,000	\$223,700
797	TANGIBLE COST 181 Conductor Casing 80' 20" (included in location)		1
797	Conductor Casing 80' 20" (included in location) Surface Casing 800' 8 5/8" 24# J-55 @ \$20.25/ft	\$16,400	
797	Intermediate Casing	\$10,400	
797	Intermediate Casing		
797	Production Casing 3,250' 4 1/2" 10.5# J55 LTC @ \$8.50/ft		\$27,800
798	Tubing 3200' 2 3/8" 4.7# J-55 EUE 8rd @ \$3.89/ft		\$12,500
860	Drilling Head 8 5/8" x 4 1/2" Larkin	. \$1,300	
870	Tubing Head & Upper Section 4-1/2" x 2 3/8" Larkin		\$1,300
875	Sucker Rods		\$14,600
880	Packer Pump & Subsurface Equipment		\$9,800
884	Artificial Lift Systems		£22.225
885 886	Pumping Unit Surface Pumps & Prime Movers		\$32,000 \$3,000
890	Tanks - Steel EXHIBIT		\$3,000
891	Tanks - Other	-	\$7,500
895	Separation Equipment	· · · ·	\$.,550
896	Gas Treating Equipment		
898	Metering Equipment		\$7,500
900	Line Pipe - Gas Gathering and Transportation		
901	Line Pipe - Production 2000' - 3" SDR.7 poly		\$4,000
906	Miscellaneous Fittings, Valves & Accessories	_	\$1,800
909	Electrical Installations	-	\$20,000
910	Production Equipment Installation	 	\$21,000
920	Pipeline Construction		
Prepared by:	L. Jackson Date Prepared: 5/28/2009 Total Tangibles	\$17,700	\$184,800
Company App	proval: 12 Whitton Date Approved: 5/28/2009 SUBTOTAL	\$285,700	\$408,500
Joint Owner I		ST \$694	,200
Joint Owner:	Joint Owner Approval:	,	

Prepared by:

L. Jackson
Date Prepared:
5/28/2009
Total Tangibles
\$17,700
\$184,800

Company Approval:
Joint Owner Interest:
Joint Owner Amount:
TOTAL WELL COST

Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up, and redrilling, as estimated in Line Item 335
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.

By:

Name: