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 APPROVAL OF A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 14,523

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 their interests.
 - (b) A plat outlining the non-standard spacing unit being pooled is attached hereto as Exhibit A. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the E/2W/2 of Section 21, Township 20 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Yeso formation underlying the NE/4NW/4 of Section 21 to form a standard 40 acre oil spacing and proration unit, and (ii) the Yeso formation underlying the E/2W/2 of Section 21 to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Pine Box 21 CN Fed. Com. Well No. 1H, a horizontal well with a surface location in the NE/4NW/4, and a terminus in the SE/4SW/4, of Section 21.
 - (c) The parties being pooled and their working interests in the non-standard well unit are as follows:

Georgia Needham

0.143480%

Oil Conserva	tion Division
Case No	
Exhibit No	

9

Billy Joe Green	0.017935%
Harold Parrish	0.086088%
Wray J. Shildneck and wife Nina Shildneck	0.068871%
Lois Green, a widow and the Heirs or Devisees of Robert Richard Green	0.017935%
Nora Agnes Cockrum	0.025826%
Jo Ann Allen	0.028696%
Alan G. Needham	0.053805%
Barbara Daniel	0.028696%
Heirs or Devisees of R.A. Williams	0.568182%
Helen M. Needham	0.027548%
Minnie Cothran	0.028696%
Ben Richard Green	0.011957%
Heirs or Devisees of Martin Douglas Hardcastle	0.034435%
Martin Douglas Hardcastle, Jr.	0.034435%
Heirs or Devisees of Evelyn Barnett	0.034435%
Heirs or Devisees of Torita Ross	0.034435%
Heirs or Devisees of Leola Needham Watson	0.143480%
Ruth E. Hinman	0.505051%
J.E. Doud, Jr. (possible heir: Jean E. Doud)	0.505051%

Ella J. Owens	1.515152%
Eva D. Donaldson	1.515152%
George James Steele	0.047827%
Minnie Laverne Steele Drew	0.047827%
Robert Epperson	0.505051%
Kenneth Jones	0.028409%
Cathy Jones	0.018939%
Robin Hall	0.028409%
Georgia E. Kotlinski (possible heir: Melvin Burke)	0.505051%

A list of the above owners who have last known addresses is attached hereto as Exhibit B. All other interest owners have no known address.

- (d) Copies of the proposal letters sent to the uncommitted working interest owners with last known addresses are attached hereto as Exhibit C. In addition, several phone calls have been made to the locatable 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 interest owners, and internet directories. Applicant has made a good faith effort to locate and obtain the voluntary joinder of all interest owners.
- (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 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.
- (h) Overhead charges of \$7000/month for a drilling well, and \$700/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) The operators offsetting the non-standard unit are as follows:

S½ §16

Echo Production, Inc.

E½ §21

Echo Production, Inc.

N1/2 §28

Fasken Oil & Ranch, Ltd.

W¹/₂SW¹/₄ §21

Fasken Oil & Ranch, Ltd.

W1/2NW1/4 §21

Mewbourne Oil Company

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

VERIFICATION

STATE OF TEXAS) ss. COUNTY OF MIDLAND)

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.

Corey Mitchell

SUBSCRIBED AND SWORN TO before me this 2nd day of August, 2010 by Corey Mitchell.

My Commission Expires: 1-19-20|2

GLENDA BARNETT MY COMMISSION EXPIRES January 19, 2012 Notary Public

	Dec- 54."	1.5668	405	3.4 Mil	"Darami-Fed." U.S.	Holstun TD 9550 7(0/47.20-74	Yeso Disc (mov 15. Lokemoo	20 .00	TO BEST SEE PAINTS	本 。	Shugart 109754 0/44.23 73 51	State 1,20500	
TEER 19 THE	7 255 / 1944 E	County (Land 1878) H.L.G.	2 ®	I Koman	Mewbourne B 16 - 2007 C.P.Holston, Jr.	Z 40.61 Meanburg Expl. H 6 F	M.E. 814.61 31 Nearb	3140.57 240.54 / serburgProd.	Marbob V-6208	10.20 1 CALK 1	Yates Pet. O	Yates Pet. eta 6.30.2014 Fasken 10.25.2010	STAN PARTY OF THE
Parce Per Cooper". Supergraph (1.5, (Sur.)	Supergential	Coperation of the Coperation o	MI JONET SUP	Memberne 2 Sept. 1 Johnson Lander Shares N. Wilson S. P. Johnson III Shar, Jr.	(Huber Corp.) HGP 14758 XI Mewbourde: Fast form	10		A Marketa	Special States	Capstone	Raipi Frnest		N H N H
Yares Per. (60 FF	(10 19 19 19 19 19 19 19 19 19 19 19 19 19	18P Mobil 08386 083	Capstore (Capstore)	Mewbourne Oil	ing Res '2' U.3	Mewboune Prod.	Newboune Prod.	od. Santa Fe (wo) Shafe	Capston 10-22-too (Dayslas) 2.3 Mil. 6 Miles	(Capsiones)	Johnston, etal 3-13-2011	ZOII Z	
Yates Att Whyse And Yates Suring the Control of the	R Nix 4- 9-96 7:000	25 5 00 1 3 00 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Tembstoner Tempstoner	Com. X Seliets Pubco	Mercholine Membourne Mercholine 10 9681	Mewbourne Long Draw Series May Ridley		\$5.7 Fed Ca	Meritury Capston HBP (Couglas OSS3777 A FORM	San Drego Say. E. Tr.	70 -	Fasken 2: 12: 2011 E. Mc Gonggill	19.11 (19.11)
es Pet,etal 96241	lates Bitch	M.G. Gorrettia (Mabil)	Motor (Mo	Mobili Messes Nacharia Messes Maria	To Seco 1:0 O I.C. 14.	Der Corpetal) BF **	HBH HB	1.4 e.1.4 e.1.4 e.1.5 e.	Pac. Triple Crown 6.1.2009 5.6.2009	Nearburg 2 · 1 · 2018 1:9745 1200 · 1		Yates Petetal	
FESTINAME ** * HILL VIEW-FEG.	F-0	10 - 10 Buchand Con etg)	Bynum X	WingRes. 727 HBP	Membourne 114:2015 Membourne 114:2015 Membourne 114:2015 Membourne 114:2015 Membourne 114:2015 Membourne 1900g.	Wewbourne - Long Draw	-	Mewbourne 7:24:2010 1'H 5:2008 1'S			Yates Pet, etal 10 · 27 · 2009	R. P. Joseph	Charmer
To so	Buchan-	Secretary (MGF) Service Registrers (MGF) Service Registrers (MGF) Service Registrers	Nearburg Ex No Nat.	Nearburg Exp. Mobil Br. of No.	Battlecat Oper. (Medallion Prod)	1-1 Joe	A Door	O PIGT Anderson	Glorbisc Valence	Mew- bourne (12.5.2010		Fasken (3) F 8 - 1 - 2017 Fasken (18697) 5-16-2010	
الميكا		31 6 U.S.		Nedrbury New Nedrbury HABP U.S. 06366	Albuquerque) 103557 Very BK. 10357 Very BK. 1000 of Albuquerque W.S. Gorth	ë-0	Mewbourng Mewbo 6-23-2009 J.T. Price 2-15-1009 J.T. Price	October 1.0	Nearburg Nearburg 10-11-2010		Yates Pet. etal 9 8-2009, 8-17-2009	1.5. Fasken	Caraline
Yates Pet, etal Yates Pet, etal		0x7 9 · 1 · 2007 99016 275 00	Sio26	Membourne (Oxy USA) 9-1-2007		92	0XY (0XY,efal) 6-1-2010 01-0 10450.00 HBP	Σh	1.0 MeMbourne	Mewbourne 11: 26: 2010 Fred	Fasken II 30 2010	Murchison Fasken 2-10-2011 6-11-2010	-
At Odes Pet, etal	Yates Pet.etal 4.3.2001 5.9.99	Justo Fred Han 12 Fed.	A Sept	r ,	**	4.54	OXY Limousine		Ars F. Giovannani Forest Oil 11 - 2015	olis, etal	Gladys Price	SM SIM M.S. W.S. W.S.	34.05
Optes Pet		(Bucharam, Osage Pool of Pool		Mewbourne Pine Box	R.Brown	Echa Brod.	Mewbourne 3-3-2011	I'J Chesa-	Guif (Bull)	J. Collins	Fasken Collins	Fasken 12000	NO ES
98	10965.	Jacon (wo) Red (work) Red (work) Sage Com Fed."	G." Seven Rivers	Pring Box	Members State	Trains of the Control	Resembly Wolf	Mew- Mew- bourne 1.14 Mew- bourne 1.13-2010 2.6. Fanging , et al	S.A.Dis Forest-Oil P.36 IM 11-1-2015 11-1-2015 0 (1850-20		Fosken 018	Fr5ken 12 - 7-2010	Chempion 1
of the second	Graham Ray J. Mayer Str. Disc.	J.D. Bodkin J.D. Bodkin	-	Marbcb Ener 12.1 - 2010 105546	(Pago frad 2.c	Sup 1/4		(Chesapeake)	0		Whitmar Expl., at	20.7 Co	Sic MANIL No 8 Fasken (6-6-20
Johney	**	19 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	hombus ner. Nesa	Pogo Prod.	"Pine Blak Fed."	C.S. (S)	Mewbourne 7-23-2011 M.Paul	*	Barnhill	81	\$ 700	TO 950 D/A- (964	30.05
Y OTHER PROPERTY OF THE PROPER	en Og Ret Pet.	120 If Yotes Pet.		D Fasken C.H. Juff	V. Processon	Allar etal) Killar etal	King 8	Chesapeake			39 eed	Wise Oil	- 0 QE
Hobbin Hobbin TDII,	Hombie 76	/	si.	14. Co	Lnd.	2 "	1,556 6 0 450 00 1,50	(Capstone)	550	10 A		\$330 <u>80</u> / Mar. Guerran	10.01
ates P	ates Pet, etal	-0 7	Q (*****	Pasken D. Fasken HBC 4026	1,★D.Fasken 3.6Mil!9418	ırdson	Capstane 12: 4 2010 Fasken Ld. 5-9:2011	6 -1-203 8 -1-203 110422 330 22	6 - 1 - 2 1084	1. Co.	0 . 3,01	10.17	1584570
1		<u>*</u> ⊕	State U.S. (Fasken Kwo)	"Feil-Fed"	4025		Westn Dev	DAY BE	Mewbgurne Bubbling Sprgs-Fed.		Aller Co. 18439	7 15.00
		tn -	0.4	h	R.M Richardson HBP 4025	. 0 -	Stheftopled.	7 10 1491 10 1491 Shell Eint.	Allar Co 8 1 2015	Secunion Supply)	01		16.33 F
4CKON	"Charlotte, AcKay-Fed.	39.72 # WCD136. T09730 CII.26:74 @ I		D. Fasken Com. II 72.2 Mil. J. D. Neery	Prosper 198 Peth	Shildneck To 8340,	39		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	£.6.26.77	***************************************	Sa Union Expl.	39.30
Free (NO) A MACATA HILLS ST. 1.	Marathan MBP	R M Richal HBC 048861 75 7 Castle E.	5	D Forker 25.0mm 24.0 D C C C C C C C C C	West'n De McKep Fe- 170 406 8877 Varie 4.9 Mil. Bellogia F Resler McKee	Tates Pet, etal	(Aller, e (Capst 1	(Allar, etal) (Capstone) Prod + Mayalin 51.2 - Toles	Grande 0& G 9 · 1 · 2012 108964 330 <u>or Che</u> <i>Brande</i>	0 & G Bat of Color of	Amera Terora	Yates Pet, etal 9 · · · 2 · 01 VB · 91 958 • 33	33.8
2 HBC	-	33.35 3 T Rose From Melmure Comeron 31 Feet. 12.1.83	N. I am	7	WAL-I-AVM	es Pet. 81:52 ncho Res.)	Yates Pet, etal	1,etal	35		36-	6	18- Test
15 54.	Marythan Indicate Hills St.	Sass & Costle & Wigzell World Fed	Ellega Fisken	4.1	Ydtes Pet Mystery Fed.	760 108454 20 .	985	526			.1.6 VBV 555	9-1-2011 V8-992 556 <u>93</u>	26.55
31016		DA-6-60-3.	State 35	te 35 42 J E. Nowell	U.S.	-		U.S.	0.5.		State	**	



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

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

Harold Parrish 2106 Richey Artesia, New Mexico 88210

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

Lois Green and the heirs or devisees of Robert Richard Green 105 Dolphin Court Aransas Pass, Texas 78336

Nora Agnes Cockrum 1606 North 26th Street Artesia, New Mexico 88210

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

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

Dorothy Collins 825 East Llano Drive Hobbs, New Mexico 88240

Jo Ann Allen Apartment 3-A 200 Twin Mountain Road Wimberley, Texas 78676 Alan G. Needham 60 West Jackson Road Artesia, New Mexico 88210

Barbara Daniel 2504 West Hillmont Odessa, Texas 79764

Heirs or devisees of R.A. Williams c/o Beth Gravell P.O. Box 1811 Ozona, Texas 76943

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

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

Minnie Cothran 1214 West Avenue M Lovington, New Mexico 88260

Robert L. Needham 1405 West Washington Artesia, New Mexico 88210

Donna Baca Space No. 5 300 North Ellis Street Lake Elsinore, California 92350

Melvin Burke Space No. 68 300 North Ellis Street Lake Elsinore, California 92350

Summary of Communications Pine Box 21 Fed Com No. 1H

Wray J. Shildneck

and his wife Nina Shildneck

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Mr. and Mrs. Shildneck elected not to participate.
- 2) Received green card signed by Nina Shildneck.

Lois Green and the Heirs or Devisees

of Robert Richard Green, Deceased

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Ms. Green and the heirs or devisees of Robert Richard Green elected not to participate.
- 2) Received green card signed by Lois Green.

Nora Agnes Cockrum

c/o Charlotte L. Gleghorn

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Ms. Cockrum elected not to participate.
- 2) Received green card signed by Warren Gleghorn.
- 3) Received email from Ron Lanning regarding Ms. Cockrum's interest on 6-21-2010.
- 4) Emailed Mr. Lanning back 6-22-2010.
- 5) Mr. Lanning emailed me back 6-22-2010.
- 6) Mailed Ms. Cockrum an Oil and Gas Lease for execution 6-22-2010. I never received the oil and gas lease back.

Minne Cothran

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Ms. Cothran elected not to participate.
- 2) Received green card signed by Minnie Cothran.

Melvin Burke (Heir of Georgia Kotlinski)

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Mr. Burke elected not to participate.
- 2) Returned Unclaimed.
- Mailed well proposal letter with AFE via certified mail dated 6-29-2010. Offered to acquire a six (6) month lease in the event Mr. Burke elected not to participate.
- 4) Returned Unclaimed.
- Mailed well proposal letter with AFE via certified mail dated 7-2-2010. Offered to acquire a six (6) month lease in the event Mr. Burke elected not to participate.
- 6) Received green card signed by Tiffany Gordon.
- 7) Received phone call from Mr. Burke requesting an oil and gas lease 7-7-2010.
- 8) Mailed Mr. Burke an Oil and Gas Lease for execution 7-7-2010. I never received the oil and gas lease back.

Helen M. Needham

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Ms. Needham elected not to participate.
- 2) Received green card signed by Helen Needham.



Harold Parrish

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Mr. Parrish elected not to participate.
- 2) Received green card signed by Barbara Parrish.

Georgia Needham

c/o Lewis R. Needham

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Ms. Needham elected not to participate.
- 2) Received green card signed by Susan Needham.

Billy Joe Green

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Mr. Green elected not to participate.
- 2) Received green card signed by Billy Green.

Estate of R.A. Williams, Deceased

c/o Beth Gravell

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event the Estate of R.A. Williams elected not to participate.
- 2) Received green card signed by Beth Gravell.

Barbara Daniel

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Ms. Daniel elected not to participate.
- 2) Received green card signed by Barbara Daniel.

Alan G. Needham

- 1) Mailed well proposal letter with AFE via certified mail dated 6-10-2010. Offered to acquire a six (6) month lease in the event Mr. Needham elected not to participate.
- 2) Received green card signed by Debra Needham.
- 3) Received phone call from Mr. Needham requesting an oil and gas lease 7-7-2010.
- 4) Mailed Mr. Needham an Oil and Gas Lease for execution 7-7-2010. I never received the oil and gas lease back.

Jo Ann Allen

- 1) Mailed well proposal letter with AFE via certified mail dated 6-16-2010. Offered to acquire a six (6) month lease in the event Ms. Allen elected not to participate.
- 2) Returned Unclaimed.

Kenneth Jones

1) Unable to locate

Robert J. Epperson

1) Unable to locate

Robin Hall

1) Unable to locate

Summary of Communications Pine Box 21 CN Fed Com #1H Page 3 of 3

M. Laverne Drew

1) Unable to locate

Ben Richard Green

1) Unable to locate

Heirs or devisees of Martin Douglas Hardcastle

1) Unable to locate.

Martin Douglas Hardcastle, Jr.

1) Unable to locate

Heirs or devisees of Evelyn Barnett

1) Unable to locate.

Heirs or devisees of Torita Ross

Unable to locate.

Heirs or devisees of Leola Needham Watson

1) Unable to locate

Ruth E. Hinman

1) Unable to locate

Jean E. Doud

1) Unable to locate

Eva D. Donaldson

1) Unable to locate

Georgia E. Kotlinski

1) Unable to locate.

Ella J. Owens

1) Unable to locate

J.E. Doud, Jr.

1) Unable to locate

Cathy Jones

1) Unable to locate

George James Steele

1) Unable to locate

なるのとなっている。	
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. Print your name and address on the reverse	X Land 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 Deliyery
1. Article Addressed to:	D. Is delivery address different from item 1? D. Yes
Warsov, I and Nina Shildneck	
P.O. Box 111	
Fawwood, New Mexico 88034	3. Service Type
	Certified Mail
	Registered D Return Receipt for Merchandise
## The American Property of the Control of th	1
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service label)	7009 2250 0000 0617 1053
PS Form 3811, February 2004 Domestic Return Receipt	turn Receipt 102595-02-M-1540

-	
٠,	•
- 1	
- 1	
-	
ĺ	
_	
-1	
C	
77	
2	15
43	
	в.
Z.	и.
•	
7	
~	
9	
4-3	r i
τ	
	7
	_

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No. 1053

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

Re:

Pine Box "21" CN Federal Com #1H

400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. and Mrs. Shildneck:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 NW/4 of the captioned Section 21 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 10, 2010.

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 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 mailpiec or on the front if space permits. Article Addressed to: Heirs or Devisees of Robert Richard Green, decease 105 Dolphin Court	e,	A. Signature X B. Received by (D. is delivery add If YES, enter ((Printed Na	Jee me) = = 1 nt from item	Ager Addi C. Date of De	essee
Aransas Pass, Texas 78336	_	3. Service Type Certified M Registered Insured Ma	I □ Re ail □ C	.O.D.	pt for Mercha	ndise
		4. Restricted De	livery? (Extr	a Fee)	□ Yes	F
Article Number (Transfer from service label)	09 2	250 0000	0617	7070		17 V
PS Form 3811, February 2004 Dom	estic Retu	ırn Receipt			102595-02-1	И-1540

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No. 1060

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

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Ms. Green:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 NW/4 of the captioned Section 21 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 10, 2010.

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

Corey Mt Mell Corey Mitchell Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 22, 2010

Nora Agnes Cockrum c/o Charlotte L. Gleghorn 1606 N. 26th Street Artesia, New Mexico 88210

Re:

Pine Box "21" CN Federal Com #1H

400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Ms. Gleghorn:

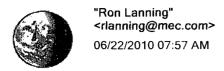
Per my conversation with Mr. Ron Lanning, enclosed for your further handling is an Oil and Gas Lease prepared for Nora Agnes Cockrum's ("Nora") signature. Also, enclosed is a copy of the Oil and Gas Lease for your keeping. The Oil and Gas Lease covers Nora's 1/1936 mineral interest in the NW/4 of the captioned Section 21 on the basis of no bonus for a six (6) month term and providing a 1/4 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



To <cmitchell@Mewbourne.com>

cc "Charlotte Gleghorn" <cgleghorn@mec.com>

bcc

Subject RE: Pine Box 21 CN Fed Com 1H

 ${\tt OK}$ - I may be out of town so send it to Charlotte. Thanks - ${\tt Ron}$

----Original Message----

From: cmitchell@Mewbourne.com [mailto:cmitchell@Mewbourne.com]

Sent: Tuesday, June 22, 2010 6:55 AM

To: Ron Lanning

Subject: Re: Pine Box 21 CN Fed Com 1H

Ron,

That will be fine, we can do a 1/4 royalty. Just give me the final ok and I will send over the Oil and Gas Lease for her/your review. Let me know if you have any questions. Thanks.

Corey Mitchell
Land Department
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, TX 79701
Bus. (432) 682-3715
Fax (432) 685-4170

"Ron Lanning" <rlanning@mec.com

06/21/2010 03:09

"Corey Mitchell" <cmitchell@Mewbourne.com>

"Charlotte Gleghorn" <cgleghorn@mec.com>

Subject

To

CC

Pine Box 21 CN Fed Com 1H

Corey - Charlotte brought me your letter to Nora Agnes Cockrum. I know this is very small interest. Since you are not offering any bonus, how about a lease @ 25% royalty???

Ronald W. Lanning Land Manager Mack Energy Corporation Chase Oil Corporation Chase Farms LLC Caza Ranches LLC 575-748-1288 office 575-748-7374 fax 432-934-4592 cell rlanning@mec.com

 Complete items 1, 2, and 3. Also of item 4 if Restricted Delivery is destired. Print your name and address on the so that we can return the card to yell. Attach this card to the back of the or on the front if space permits. 	ired. ne reverse rou.	B. Received by (Printe	leg WOLN	Agent Addressee C, Date of Delivery
1. Article Addressed to: Nora Agnes Cockr c/o Charlotte L. Gleg 1606 N. 26 th Stree Artesia, New Mexico	ghorn et	1 /	y address belov	w: ~ETNO
•		1	☐ C.O.D.	☐ Yes
Article Number (Transfer from service label)	7009	2250 0000 1	Oblb 52	?3L
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 10, 2010

Via Certified Mail-Return Receipt No. 5236

Nora Agnes Cockrum c/o Charlotte L. Gleghorn 1606 N. 26th Street Artesia, New Mexico 88210

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Ms. Cockrum:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 1/1936 mineral interest in the NW/4 of the captioned Section 21 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 10, 2010.

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

michell

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. Agent Addressee B. Received by (Printed Name) C. Date of Delivery
Minnie Cothran 1214 W. Ave. M Lovington, NM 88260	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
Lovington, 1 vii 3020	3. Service Type Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D. 4. Restricted Delivery? (Extra Fee) ☐ Yes
2. Article Number (Transfer from service label) 7 🛮 🕽 🤊	2250 0000 0616 5243
PS Form 3811, February 2004 Domestic F	Return Receipt 102595-02-M-1540

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No.5243

Minnie Cothran 1214 W. Ave. M Lovington, NM 88260

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E

Eddy County, New Mexico

Dear Ms. Cothran:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 25/43560 mineral interest in the NW/4 of the captioned Section 21 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 10, 2010.

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

ney mitchell

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 7, 2010

Melvin Burke 240 S.W. Edgeway Dr., #393 Beaverton, OR 97006

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. Burke:

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 1/198 mineral interest in the NW/4 of the captioned Section 21 on the basis of no bonus for a six (6) month term and providing a 3/16 royalty interest.

Also, I have included an Affidavit of Heirship regarding the heirs of Georgia Kotlinski.

Regarding the above, please sign the enclosed Oil and Gas Lease in the presence of a Notary Public and have the Affidavit filled out and signed by a third party 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

·			
line Box			ſ
SENDER: COMPLETE THIS SE	CTION COMPLETE	THIS SECTION ON DELIVERY	
 Complete items 1, 2, and 3. All item 4 if Restricted Delivery is Print your name and address of so that we can return the card Attach this card to the back of or on the front if space permits 1. Article Addressed to: 	desired. In the reverse to you. Ithe mailpiece, Ithe mailpiece	by (Printed Name) C. Date of the Color of th	Agent Addressee of Delivery - / D Yes No
Melvin Burk 240 S.W. Edgeway I	te Dr., #393	4	
Beaverton, OR 9	07006 3. Service Ty Certifie Registe Insured	d Mail Express Mail Receipt for M Mail C.O.D.	lerchandise
Article Number (Transfer from service label)	7009 2250 000		

•

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 2, 2010

Via Certified Mail-Return Receipt No. 6331

Melvin Burke 240 S.W. Edgeway Dr., #393 Beaverton, OR 97006

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. Burke:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 1/198 mineral interest in the NW/4 of the captioned Section 21 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 20, 2010.

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

TINITE BRIDELING LINE THE TERM OF THE TERM

数 0.2 1P 第 0003129274 JUN 29 2016 第 MANLED FROM ZIP CODE 78701

6096 9790 0000	0522	P007	2. Article Number (Transfer from service label)
d Delivery? (Extra Fee) 🔲 Yes	4. Restricte		
bered Mail Express Mail Express Mail Becelpt for Merchandise	3. Service 7		300 North Ellis Street, Sp Lake Elsinore, CA 92
nter delivery address below:		<u> </u>	1. Article Addressed to: [Melvin Burke
by (Printed Name) C. Date of Delivery address different from item 17 Des		nc.	so that we can etium the card to your the back of the for on the front if space permits.
	A Signatur	pe.	Complete items 1, 2, and 3. Also or item 4 if Restricted Delivery is desired.
і ініг аєстіом ой решчеву	тэтайоо		SENDER: COMPLETE THIS SECTION

PS Form 3811, February 2004

102595-02-M-1640



500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 29, 2010

Via Certified Mail-Return Receipt No. 9609

Melvin Burke 300 North Ellis Street, Space #68 Lake Elsinore, CA 92530

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. Burke:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 1/198 mineral interest in the NW/4 of the captioned Section 21 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 10, 2010.

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

mtchell

CERTIFIED MAIL.

OIL COMPANY

AS, SUITE 1020 , TEXAS 79701

7009 2250 0000 0617 1992



Melvin Burke 300 North Ellis Street, Space #5 Lake Elsinore, CA 92530

NIXIE

923 DE 1

05 06/19/10

RETURN TO SENDER NOT DELIVERABLE AS ADDRESSED UNABLE TO FORMARD

BC: 79701427970

*1110-06070-10-39

9253092846, 664,6

Harlahamman Habatat Harlylahamman H

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

<u> Via Certified Mail-Return Receipt No. 1992</u>

Melvin Burke 300 North Ellis Street, Space #5 Lake Elsinore, CA 92530

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. Burke:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 1/198 mineral interest in the NW/4 of the captioned Section 21 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 10, 2010.

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 X
1. Article Addressed to: Helen M. Needham 9756 Blazing Star	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
La Porte, Texas 77571	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes
2. Article Number (Transfer from service label) 7009	2250 0000 0617 2104
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1.540

×

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No.2104

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

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Ms. Needham:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 NW/4 of the captioned Section 21 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 10, 2010.

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 Restricted Delivery is desired. Print your name and address on the reverse	COMPLETE THIS SECTION ON DELIVERY A. Signature X. Barbara Parruh 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. 1. Article Addressed to:	B. Received by (Printed Name) Darkars Parrish D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No
Harold Parrish 2106 Richey	
Artesia, New Mexico 88210	3. Service Type Certified Mail
2. Article Number (Transfer from service label) 7009 25	250 0000 0617 2111
PS Form 3811 February 2004 Domestic Retu	rn Receipt 102505-02-M-1540

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No.2111

Harold Parrish 2106 Richey Artesia, New Mexico 88210

Re:

Pine Box "21" CN Federal Com #1H

400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. Parrish:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 NW/4 of the captioned Section 21 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 10, 2010.

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

very mitchell

Corey Mitchell

□ Agent ハグソング Addressee ☐ Express Mail ☐ Return Receipt for Merchandise C. Date of Delivery B. Received by (Minimed Natries)
SUSTAN NELD HAM OB -(3-10) 212B COMPLETE THIS SECTION ON DELIVERY If YES, enter delivery address below: 4. Restricted Delivery? (Extra Fee) □ C.O.D. 7190 0000 0255 FOOT 3. Service Type

A Certified Mail

Registered

Insured Mail Lake Arthur, New Mexico 88253 so that we can return the card to you.

Attach this card to the back of the mailpiece, Print your name and address on the reverse ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. c/o Lewis R. Needham SENDER: COMPLETE THIS SECTION 8345 Cherokee Road Georgia Needham or on the front if space permits. (Transfer from service label) 1. Article Addressed to: 2. Article Number

PS Form 3811, February 2004 Domestic Re

Domestic Return Receipt

102595-02-M-1540

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No. 2128

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

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Ms. Needham:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 NW/4 of the captioned Section 21 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 10, 2010.

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

Complete items 1, 2, and 3. A item 4 if Restricted Delivery is Print your name and address so that we can return the card Attach this card to the back o or on the front if space permit 1. Article Addressed to: Billy Joe Green 4514 S.W. 169	desired. on the reverse i to you. f the mailpiece, s.	A. Signature X B. Réceived by Prir D. Is delivery address If YES, enter deliv	reen	· ·
Ocala, Florida 3	34473	3. Service Type Certified Mail Registered Insured Mail	☐ C.O.D.	t for Merchandise
Article Number (Transfer from service label)	7009 22	4. Restricted Deliver		☐ Yes
PS Form 3811, February 2004		urn Receipt		102595-02-M-1540

•

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No.2548

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

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. Green:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 NW/4 of the captioned Section 21 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 10, 2010.

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

oncy mitchell

Pine Box 21	
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 Address B. Received by (Printed Name) C. Date of Deliver
Article Addressed to:	D. Is delivery address different from item 1? Yes If YES, enter delivery address below: No
\checkmark	,
✓ Estate of R.A. Williams, Deceased	
Estate of R.A. Williams, Deceased c/o Beth Gravell	
,	
c/o Beth Gravell	3. Şervice Type
c/o Beth Gravell P.O. Box 1811	
c/o Beth Gravell P.O. Box 1811	3. Service Type Certified Mail

· ·

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No. 1046

Estate of R.A. Williams, Deceased c/o Beth Gravell P.O. Box 1811 Ozona, Texas 76943

Re:

Pine Box "21" CN Federal Com #1H

400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25F

Section 21, T20S, R25E Eddy County, New Mexico

Dear Ms. Gravell:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 1/88 mineral interest in the NW/4 of the captioned Section 21 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 10, 2010.

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

FIN BOX OF	
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
■ Complete Items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.	A. Signature
 Print your name and address on the reverse 	X John Mark D Addressee
so that we can return the card to you. Attach this card to the back of the mailpiece.	B. Received by (Printed Name) C. Date of Delivery
or on the front if space permits.	
1. Article Addressed to:	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No
Rarhara Daniel	
2504 W. Hillmont	
Odosso Tovos 7076A	
Ouessa, 1ekas 77.04	3. Service Type A Certified Mail Express Mail
	Cregistered Return Receipt for Merchandise
	and (Extra Fee)
	יי ויסטוויסט בפוועסו / (בעומן סס) ביי ויסטוויסט ביי ויסט ביי ויסטוויסט ביי ויסט ביי ויסטוויסט ביי ויסטוויסט ביי ויסטוויסט ביי ויסטוויסט ביי ויסט
2. Article Number (Transfer from service label) 7 □ □	7009 2250 0000 0617 2531
PS Form 3811 February 2004 Domestic	Domestic Beturn Receipt
	- 14

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No.2531

Barbara Daniel 2504 W. Hillmont Odessa, Texas 79764

Re:

Pine Box "21" CN Federal Com #1H

400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL)

Section 21, T20S, R25E Eddy County, New Mexico

Dear Ms. Daniel:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 25/43560 mineral interest in the NW/4 of the captioned Section 21 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 10, 2010.

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

'ney mitchell

Corey Mitchell/Mewbourne 07/07/2010 02:44 PM To aneedham@pvtnetworks.net

CC

bcc

Subject Pine Box 21 OGL

Mr. Needham,

Per our conversation, attached is an Oil and Gas Lease covering your interest in the NW/4 of Section 21, T20S, R25E, Eddy County, NM for your review. The Oil and Gas Lease provides for a 6 month term and a 3/16 royalty interest. The originals are to follow in the mail. Let me know if you have any questions. Thanks. Have a good day.



Corey Mitchell Land Department Mewbourne Oil Company 500 West Texas, Suite 1020 Midland, TX 79701 Bus. (432) 682-3715 Fax (432) 685-4170

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 7, 2010

Alan G. Needham 60 West Jackson Road Artesia, NM 88210

Re:

Pine Box "21" CN Federal Com #1H

400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL)

Section 21, 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 your 25/23232 mineral interest in the NW/4 of the captioned Section 21 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

y m tchell

~	PineBox 21	
	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 Dura Julian Agent 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 Debra Needham D. Is delivery address in them 12 Yes
	Article Addressed to:	D. Is delivery address of great and item 1?
	Alan G. Needham 60 West Jackson Road Artesia, NM 88210	3. Service Type
	Artesia, Nin 00210	☐ Registered ☐ Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
		4. Restricted Delivery? (Extra Fee)

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 10, 2010

Via Certified Mail-Return Receipt No.2524

Alan G. Needham 60 West Jackson Road Artesia, NM 88210

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL)

Section 21, T20S, R25E Eddy County, New Mexico

Dear Mr. Needham:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 25/23232 mineral interest in the NW/4 of the captioned Section 21 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 10, 2010.

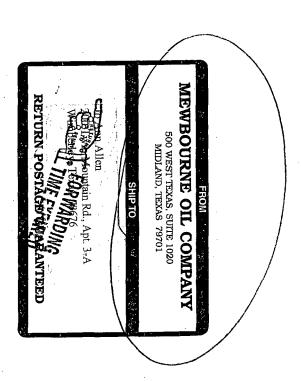
Should you have any questions regarding the above, please email me at cmitchell@mewbourne.com or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

SENDER: COMPLETE THIS SECTION Complete Items 1, 2, and 3. Also complete Item 4 if 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 mallpiece, or on the front if space permits.	A. Signature X. Agent Addressee B. Received by (Printed Name) C. Date of Delivery D. is delivery address different from item 12 Yes
Jo Ann Allen 200 Twin Mountain Rd., Apt. 3-A	D. Is delivery address different from item 17 ☐ Yes If YES, enter delivery address below: ☐ No
Wimberley, Texas 78676	3. Service Type Certified Mail Registered Registered Insured Mail C.O.D. 4. Restricted Delivery? (Extra Fee) Yes
2. Article Number 7 🛮 🕽 9	2250 0000 0616 9029
PS Form 3811, February 2004 Domestic Ret	um Recelpt 102595-02-M-1540







500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 16, 2010

Via Certified Mail-Return Receipt No. 9029

Jo Ann Allen 200 Twin Mountain Rd., Apt. 3-A Wimberley, Texas 78676

Re:

Pine Box "21" CN Federal Com #1H 400' FNL & 1800' FWL (SL) 330' FSL & 2310' FWL (BHL) Section 21, T20S, R25E

Eddy County, New Mexico

Dear Ms. Allen:

Mewbourne Oil Company (Mewbourne) 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 2,680 feet subsurface to evaluate the Yeso formation for oil production. The proposed well will have a horizontal measured depth (MD) of approximately 6,960 feet. The E/2W/2 of the captioned Section 21 will be dedicated to the well as the oil proration unit.

Regarding the above, enclosed for your further handling is our AFE dated May 27, 2010 for the captioned well. In the event you elect to participate in the captioned proposed well, please sign 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 W/2 of the captioned Section 21.

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 25/43560 mineral interest in the NW/4 of the captioned Section 21 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 16, 2010.

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

Well Name. Pine Box 21 CN Federal Com #1H	ospect: Pin	e Box 21		
ICocation: SL: 400' FNL & 1800' FWL, BHL: 330' FSL & 2310' FWL	County: Ed	dv		ST: NM
	meter and statement	ing: 25E Pr	na maile [7000°
Seaton 21 p.g. p.u.y.	1	I	CONTRACTOR CONTRACTOR	
INTANGIBLE COSTS 180 Permits and Surveys	100	**TCP	CODE 200	CC \$1,0
Location: Roads, Pits & Site Preparation	105	\$30,000		\$2,5
Location: Site Restoration, Excavation & Other	106	\$35,000		
Day Work, Footage, Turnkey Drilling 15 days drlg/1 compl @ \$10,500/day + GRT	110	\$167,000		\$11,2
Fuel Mud	114	\$28,000		
Nuo Chemicals and Additives	121	\$29,000	221	
Cementing	125	\$12,000	225	\$20,0
Logging, Wireline & Coring Services	130	\$6,000	230	
Casing, Tubing & Snubbing Services	134	\$3,200	234	\$10,0
Mud Logging Stimulation	137	\$10,000	241	\$350,0
Stimulation Rentals & Other			242	\$100,0
Water & Other	145	\$25,000		\$2,0
Bits	148	\$20,000	248	\$1,50
Inspection & Repair Services	150	\$8,000	250	
Misc. Air & Pumping Services Testing	154 158	\$1,000	254 258	\$1,00
Completion / Workover Rig	1 130	\$1,000	260	\$1,00 \$15,00
Rig Mobilization	164	\$30,000	<u>*</u>	4,0,0
Transportation	165	\$2,000	265	\$2,00
Wolding and Construction	168	\$1,000	268	\$1,00
Engineering & Contract Supervision Directional Services	170 175	\$80,000	270	
Equipment Rental	180	\$20,000	280	\$5,00
Well / Lease Legal	184	\$2,500	284	\$0,00
Well / Lease Insurance	185	\$1,200	285	
Intangible Supplies	188	\$1,000	288	\$1,00
Damages Pipeline, Road, Electrical ROW & Easements	190 192		290 292	\$10,00
Pipeline, Road, Electrical ROW & Easements Pipeline Interconnect	192		293	\$10,00
Company Supervision	195	\$50,000	295	\$15,00
Overhead Fixed Rate	196	\$3,000	296	\$3,00
Well Abandonment	198		298	
Contingencies 10% (TCP) 5% (CC)	199	\$57,500	299	\$28,10
TOTAL	╬	\$632,400		\$590,30
TANGIBLE COSTS 181 Casing (19.1" - 30")	793			
Casing (10.1" - 19.0")	794			
Casing (8.1" - 10.0") 1100' 9 5/8" 36# K55 LTC @ \$27.00/ft	795	\$29,700		
Casing (6.1" - 8.0")	796			
Casing (4.1" - 6.0") 7000' 5 1/2" 17# N80/4 1/2"11.6# N80 LTC @ \$14.00/ft			797	\$98,00
Tubing (2" - 4") 2000' 2 7/8" 6.5# J55 EUE 8rd @ \$5.00/ft Drilling Head	860	\$1,500	798	\$10,00
Tubing Head & Upper Section	1 000	\$1,500	870	\$1,50
Sucker Rods			875	\$8,50
Packer Pump & Subsurface Equipment (15 Stage Ports)			880	\$200,00
Artificial Lift Systems			884	f ar 00
Pumping Unit Surface Pumps & Prime Movers	┨		885 886	\$35,00
Tanks - Steel	1		890	\$22,00
Tanks - Others			891	\$12,00
Separation Equipment	1		895	\$8,00
Gas Treating Equipment	╂╾╌┼		896 897	\$1E 00
Heater Treaters, Line Heaters Wetering Equipment	1		898	\$15,00 \$6,00
vietering Equipment Line Pipe - Gas Gathering and Transportation	1		900	\$3,00
Misc. Fittings, Valves, Line Pipe and Accessories			906	\$6,00
Cathodic Protection	_		908	
Electrical Installations			909	\$12,00
Production Equipment Installation Pipeline Construction	-		910	\$11,00 \$2,00
TOTAL		\$31,200	ــــــــــــــــــــــــــــــــــــــ	\$450,000
SUBTOTAL	 	\$663,600	2 222	\$1,040,30
TOTAL WELL COST		\$1,70	3,900	
Prepared by: M. Young Date: 5/27/2010	_			
co. Approval: TR. Whittee. Date: 5/27/2010				
oint Owner Interest: Amount:				
oint Owner: Joint Owner Approval:				
oint Owner:Joint Owner Approval: Operator has secured Operator's Extra Expense Insurance covering costs of well control, clean up a	and cod-100	antimated in the	Item 405 **	0

___Name: