

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

EXHIBIT NO. 1

CASE NO. 18

T 18

38.0	4.23.73	11.15.55	2.13.93	19.22	4.19.72	3.13.76	2.13.76	39.22	4.19.72	3.13.76	2.13.76	40.22	4.19.72	3.13.76	2.13.76	41.22	4.19.72	3.13.76	2.13.76	42.22	4.19.72	3.13.76	2.13.76	43.22	4.19.72	3.13.76	2.13.76	44.22	4.19.72	3.13.76	2.13.76	45.22	4.19.72	3.13.76	2.13.76	46.22	4.19.72	3.13.76	2.13.76	47.22	4.19.72	3.13.76	2.13.76	48.22	4.19.72	3.13.76	2.13.76	49.22	4.19.72	3.13.76	2.13.76	50.22	4.19.72	3.13.76	2.13.76	51.22	4.19.72	3.13.76	2.13.76	52.22	4.19.72	3.13.76	2.13.76	53.22	4.19.72	3.13.76	2.13.76	54.22	4.19.72	3.13.76	2.13.76	55.22	4.19.72	3.13.76	2.13.76	56.22	4.19.72	3.13.76	2.13.76	57.22	4.19.72	3.13.76	2.13.76	58.22	4.19.72	3.13.76	2.13.76	59.22	4.19.72	3.13.76	2.13.76	60.22	4.19.72	3.13.76	2.13.76	61.22	4.19.72	3.13.76	2.13.76	62.22	4.19.72	3.13.76	2.13.76	63.22	4.19.72	3.13.76	2.13.76	64.22	4.19.72	3.13.76	2.13.76	65.22	4.19.72	3.13.76	2.13.76	66.22	4.19.72	3.13.76	2.13.76	67.22	4.19.72	3.13.76	2.13.76	68.22	4.19.72	3.13.76	2.13.76	69.22	4.19.72	3.13.76	2.13.76	70.22	4.19.72	3.13.76	2.13.76	71.22	4.19.72	3.13.76	2.13.76	72.22	4.19.72	3.13.76	2.13.76	73.22	4.19.72	3.13.76	2.13.76	74.22	4.19.72	3.13.76	2.13.76	75.22	4.19.72	3.13.76	2.13.76	76.22	4.19.72	3.13.76	2.13.76	77.22	4.19.72	3.13.76	2.13.76	78.22	4.19.72	3.13.76	2.13.76	79.22	4.19.72	3.13.76	2.13.76	80.22	4.19.72	3.13.76	2.13.76	81.22	4.19.72	3.13.76	2.13.76	82.22	4.19.72	3.13.76	2.13.76	83.22	4.19.72	3.13.76	2.13.76	84.22	4.19.72	3.13.76	2.13.76	85.22	4.19.72	3.13.76	2.13.76	86.22	4.19.72	3.13.76	2.13.76	87.22	4.19.72	3.13.76	2.13.76	88.22	4.19.72	3.13.76	2.13.76	89.22	4.19.72	3.13.76	2.13.76	90.22	4.19.72	3.13.76	2.13.76	91.22	4.19.72	3.13.76	2.13.76	92.22	4.19.72	3.13.76	2.13.76	93.22	4.19.72	3.13.76	2.13.76	94.22	4.19.72	3.13.76	2.13.76	95.22	4.19.72	3.13.76	2.13.76	96.22	4.19.72	3.13.76	2.13.76	97.22	4.19.72	3.13.76	2.13.76	98.22	4.19.72	3.13.76	2.13.76	99.22	4.19.72	3.13.76	2.13.76	100.22	4.19.72	3.13.76	2.13.76
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Spacing Unit Ownership (Operating Rights)  
 Red Lake State #1 Well  
 W/2 of Section 16, T18S, R27E  
 Below the base of the Abo formation  
 to the base of the Morrow formation  
 Eddy County, New Mexico

NW/4NW/4, N/2SW/4; 120 acres, more or less:

Exxon Company, U.S.A. 100%

NE/4NW/4, SW/4SW/4; 80 acres, more or less:

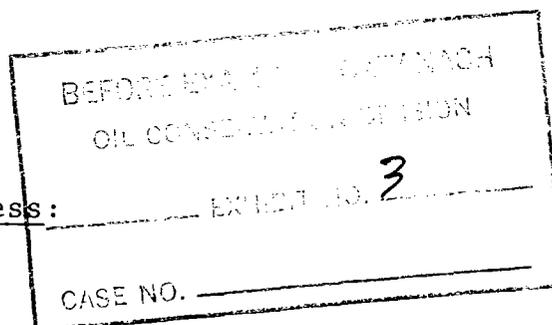
Chevron U.S.A. Inc. 100%

SW/4NW/4; 40 acres, more or less:

Conoco, Inc. 100%

SE/4SW/4, SE/4NW/4; 80 acres, more or less:

Mewbourne Oil Company 100%



Percentage Ownership (Operating Rights)  
 W/2 of Section 16, T18S, R27E  
 Below the base of the Abo formation  
 to the base of the Morrow formation  
 Eddy County, New Mexico

<u>Owner</u>	<u>% Ownership</u>
Mewbourne Oil Company	25.0
Exxon Company, U.S.A.	37.5 (Uncommitted)
Chevron U.S.A. Inc.	25.0 (Uncommitted)
Conoco, Inc.	12.5 (Uncommitted)
	<u>100.0</u>

**MEWBOURNE OIL COMPANY**  
**Authorization for Expenditure**

Prospect Red Lake Well Name and No. Red Lake State #1  
 Field Red Lake (Morrow) Location 990' FSL and 1980' FWL  
 Section 16 Block \_\_\_\_\_ Township 18S Range 27E Survey \_\_\_\_\_  
 County Eddy State N.M. Proposed Depth 9900'

DESCRIPTION		COST TO CASING POINT AFE NO. 91-D-15	COMPLETION COST AFE NO. 91-C-15
<b>INTANGIBLE COST 180</b>			
300	Permits & Surveys	\$ 600.00	\$ 700.00
301	Location, Roads & Damages	20,000.00	2,000.00
302	Footage or Turnkey Drilling	173,250.00	- 0 -
303	Day Work	20,000.00	- 0 -
304	Fuel, Water & Other	20,000.00	1,000.00
305	Completion/Workover Rig	- 0 -	15,000.00
306	Mud & Chemicals	15,000.00	- 0 -
307	Cementing	15,000.00	22,000.00
308	Logging & Wireline	17,000.00	7,000.00
309	Casing - Tubing Services & Tools	2,500.00	2,000.00
310	Mud Logging	5,000.00	- 0 -
311	Testing	4,000.00	2,000.00
312	Treating	- 0 -	45,000.00
313	Coring	- 0 -	- 0 -
320	Transportation	2,500.00	5,000.00
321	Welding & Construction Labor	2,500.00	1,000.00
322	Contract Supervision	- 0 -	- 0 -
330	Equipment Rental	6,000.00	4,000.00
334	Well/Lease Legal/Tax	2,500.00	- 0 -
335	Well/Lease Insurance	19,800.00	- 0 -
350	Intangible Supplies	500.00	500.00
360	Pipeline ROW & Easements	- 0 -	500.00
367	Pipeline Interconnect	- 0 -	15,000.00
375	Company Supervision	19,200.00	7,000.00
380	Overhead Fixed Rate	7,200.00	3,400.00
399	Contingencies	17,628.00	6,655.00
<b>Total Intangibles</b>		<b>\$ 370,178.00</b>	<b>\$ 139,755.00</b>
<b>TANGIBLE COST 181</b>			
	Conductor Casing 20" @ 50'	\$ 3,000.00	\$ - 0 -
	Surface Casing 13-3/8" @ 400'	8,800.00	- 0 -
	Inter. Casing 8-5/8" @ 1800'	21,600.00	- 0 -
	Production Casing 5-1/2" @ 9900'	- 0 -	74,250.00
	Production Casing Tubing 2-7/8" @ 9900'	- 0 -	22,770.00
860	Drilling Head	4,500.00	- 0 -
865	Tubing Head	- 0 -	2,500.00
870	Upper Section	- 0 -	4,500.00
875	Sucker Rods	- 0 -	- 0 -
880	Packer, Pump & Other Subsurface	- 0 -	6,000.00
885	Pumping Unit	- 0 -	- 0 -
890-1	Tanks (Steel, Fiberglass)	- 0 -	6,000.00
894-5	Separation Equipment (Fired, Non-fired)	- 0 -	10,000.00
898	Metering Equipment	- 0 -	7,000.00
900	Line Pipe	- 0 -	10,000.00
905	Valves	- 0 -	5,000.00
906	Miscellaneous Fittings & Accessories	- 0 -	3,000.00
910	Production Equipment Installation	- 0 -	10,000.00
920	Pipeline Construction	- 0 -	25,000.00

Date Prepared: September 23, 1991 Total Tangibles \$ 37,900.00 \$ 186,020.00  
 Prepared By: Erick W. Nelson Subtotal \$ 408,070.00 \$ 325,775.00  
 Company Approval: [Signature] TOTAL WELL COST \$ 733,853.00

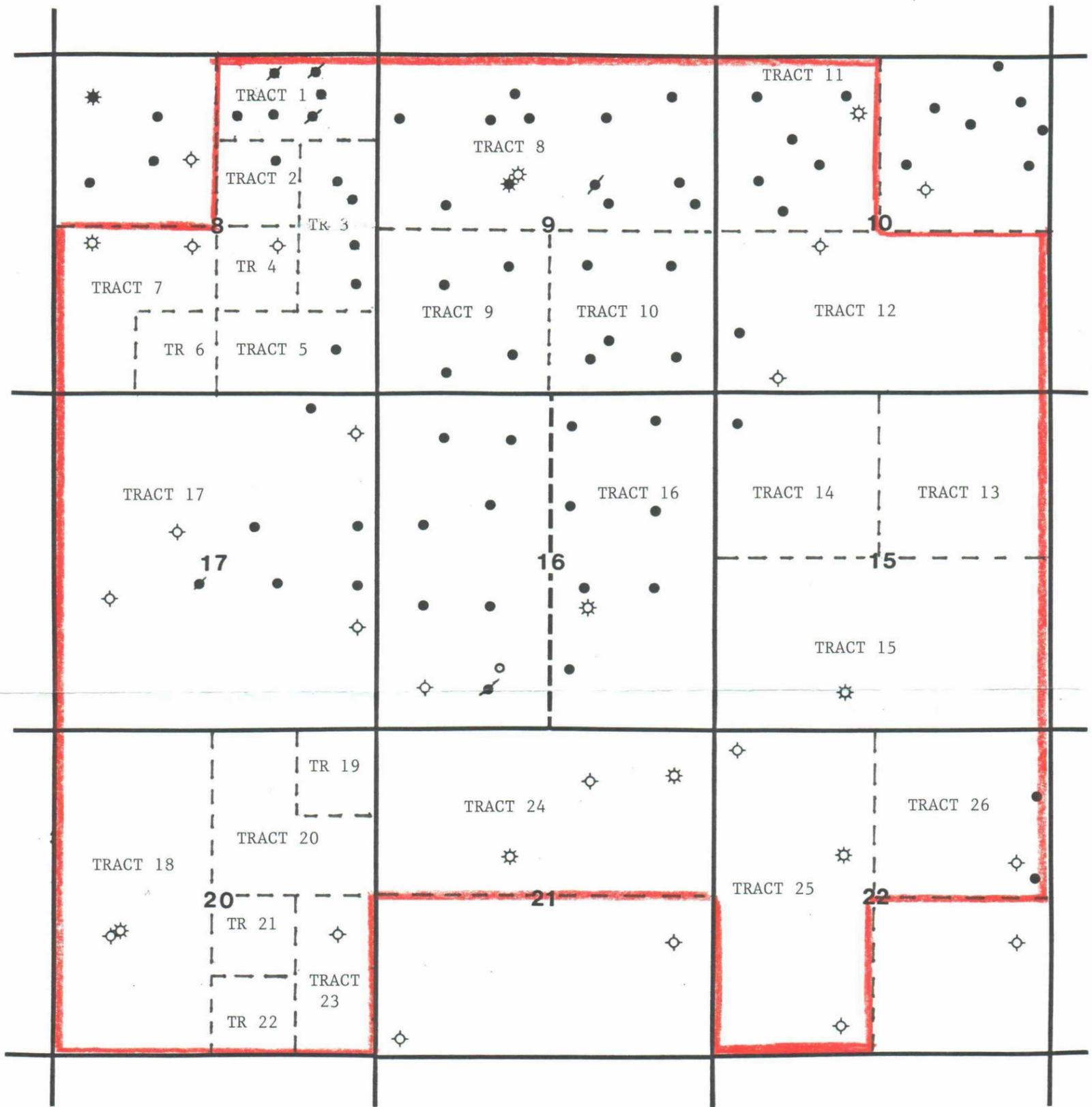
Date Approved: 9-23-91  
 Joint Owner Approval: \_\_\_\_\_  
 Joint Owner Interest: \_\_\_\_\_  
 Joint Owner Amount: \_\_\_\_\_

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CASE NO. \_\_\_\_\_

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**MEWBOURNE OIL COMPANY**

MIDLAND, TEXAS DISTRICT

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

EXHIBIT NO. SA

CASE NO. \_\_\_\_\_

RED LAKE PROSPECT  
EDDY COUNTY, NEW MEXICO

OCTOBER 1991

SCALE 1"=2000'

OFFSET OWNERSHIP  
Red Lake State #1  
Eddy County, New Mexico

Tract 1: N/2NE/4 of Section 8, T18S, R27E

- 1) Amoco Production Company
- 2) Hondo Oil & Gas Company

Tract 2: SW/4NE/4 of Section 8, T18S, R27E

- 1) Eugene E. Nearburg

Tract 3: SE/4NE/4 and NW/4SE/4 of Section 8, T18S, R27E

- 1) Amoco Production Company
- 2) Hondo Oil & Gas Company

Tract 4: NW/4SE/4 of Section 8, T18S, R27E

- 1) Exxon Company, U.S.A.

Tract 5: S/2SE/4 of Section 8, T18S, R27E

- 1) Amoco Production Company
- 2) Hondo Oil & Gas Company

Tract 6: SE/4SW/4 of Section 8, T18S, R27E

- 1) Exxon Company, U.S.A.

Tract 7: N/2SW/4 and SW/4SW/4 of Section 8, T18S, R27E

- 1) Amoco Production Company
- 2) Hondo Oil & Gas Company

Tract 8: N/2 of Section 9, T18S, R27E

- 1) Hondo Oil & Gas Company

Tract 9: SW/4 of Section 9, T18S, R27E

- 1) Amoco Production Company

Tract 10: SE/4 of Section 9, T18S, R27E

- 1) Amoco Production Company
- 2) Hondo Oil & Gas Company

Tract 11: NW/4 of Section 10, T18S, R27E

- 1) Arco Oil & Gas Company
- 2) Petrus Oil Company, L.P.

Tract 12: S/2 of Section 10, T18S, R27E

- 1) Amoco Production Company
- 2) Hondo Oil & Gas Company

Tract 13: NE/4 of Section 15, T18S, R27E

- 1) Amoco Production Company

Tract 14: NW/4 of Section 15, T18S, R27E

- 1) Amoco Production Company
- 2) Arco Oil & Gas Company

Tract 15: S/2 of Section 15, T18S, R27E

- 1) ORYX Energy Company

Tract 16: E/2 of Section 16, T18S, R27E

- 1) ORYX Energy Company

Tract 17: All of Section 17, T18S, R27E

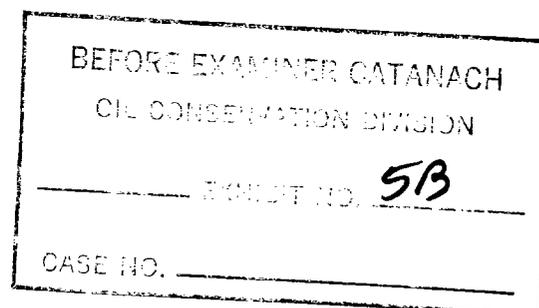
- 1) Exxon Company, U.S.A.
- 2) Amoco Production Company

Tract 18: W/2 of Section 20, T18S, R27E

- 1) Yates Petroleum Corporation

Tract 19: NE/4NE/4 of Section 20, T18S, R27E

- 1) Yates Petroleum Corporation



Tract 20: W/2NE/4 and SE/4NE/4 of Section 20, T18S, R27E

- 1) Amoco Production Company
- 2) Yates Petroleum Corporation

Tract 21: NW/4SE/4 of Section 20, T18S, R27E

- 1) Great Western Drilling Company
- 2) Davoil, Inc.
- 3) Featherstone Development Corporation
- 4) Bonneville Fuels Corporation
- 5) Yates Petroleum Corporation

Tract 22: SW/4SE/4 of Section 20, T18S, R27E

- 1) Oxy USA, Inc.
- 2) Rio Peccs Corporation

Tract 23: E/2SE/4 of Section 20, T18S, R27E

- 1) Exxon Cmpany, U.S.A.

Tract 24: N/2 of Section 21, T18S, R27E

- 1) Mewbourne Oil Company

Tract 25: W/2 of Section 22, T18S, R27E

- 1) ORYX Energy Company

Tract 26: NE/4 of Section 22, T18S, R27E

- 1) Bulldog Energy Company

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

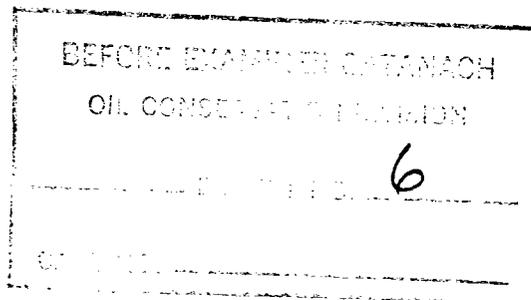
(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Petrus Oil Co., LP  
12404 Park Central Dr., Suite 400  
Dallas, Texas 75251



RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

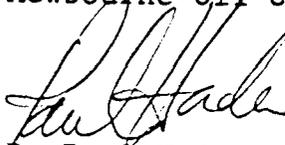
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<b>SENDER:</b> <ul style="list-style-type: none"> <li>• Complete items 1 and/or 2 for additional services.</li> <li>• Complete items 3, and 4a &amp; b.</li> <li>• Print your name and address on the reverse of this form so that we can return this card to you.</li> <li>• Attach this form to the front of the mailpiece, or on the back if space does not permit.</li> <li>• Write "Return Receipt Requested" on the mailpiece next to the article number.</li> </ul>		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to:  PETRUS OIL CO. LP 12404 PARK CENTRAL DR, #400 DALLAS, TEXAS 75251		4a. Article Number <i>P 124 765 962</i>	
5. Signature (Addressee) <i>[Signature]</i>		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
6. Signature (Agent) <i>[Signature]</i>		7. Date of Delivery <i>10/15/91</i>	
		8. Addressee's Address (Only if requested and fee is paid)	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Hondo Oil & Gas Co.  
P. O. Box 2208  
Roswell, New Mexico 88202-2208

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

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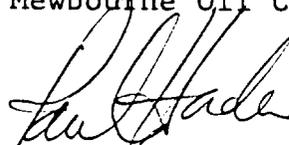
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

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Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

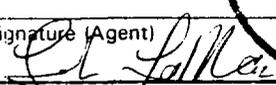
Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

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3. Article Addressed to:  HONDO OIL AND GAS COMPANY POB 2208 ROSWELL, NM 88202		4a. Article Number P 124 765 960	
RED LAKE/PH		4b. Service Type <ul style="list-style-type: none"> <li><input type="checkbox"/> Registered</li> <li><input checked="" type="checkbox"/> Certified</li> <li><input type="checkbox"/> Express Mail</li> <li><input type="checkbox"/> Insured</li> <li><input type="checkbox"/> COD</li> <li><input type="checkbox"/> Return Receipt for Merchandise</li> </ul>	
5. Signature (Addressee)		7. Date of Delivery 10/11/91	
6. Signature (Agent) 		8. Addressee's Address (Only if requested and fee is paid)	
PS Form 3811, October 1990		U.S. GPO: 1990-273-861	

**DOMESTIC RETURN RECEIPT**

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Oxy USA, Inc.  
Box 50250  
Midland, Texas 79710

Attention: Mr. Charles E. Dickenson

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

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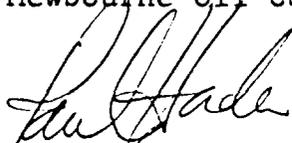
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Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<p>● <b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent it from being returned to you. The return receipt fee will provide you the name of the person delivered to, the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:</p> <p>OXY USA INC. BOX 50250 MIDLAND, TEXAS 79710 ATTN: CHARLES E. DICKENSON</p> <p>RED LAKE/PH</p>	<p>4. Article Number</p> <p>P 124 765 95</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <b>DATE DELIVERED</b>.</p>
<p>5. Signature - Addressee</p> <p>X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent</p> <p>X</p> <p><i>K. Upolade</i></p>	
<p>7. Date of Delivery</p> <p>10/11/91</p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Featherstone Development Corp.  
1717 West Second Street  
Roswell, New Mexico 88201

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

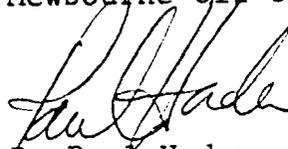
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

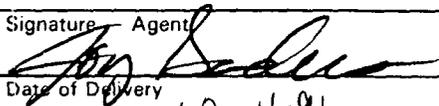
Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<p>● <b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: FEATHERSTONE DEVELOPMENT 1717 WEST SECOND ROSWELL, NM 88201</p>	<p>4. Article Number P 124 765 953</p>
	<p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> CQD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p>
	<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature -- Addressee X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature -- Agent X </p>	
<p>7. Date of Delivery 10-11-91</p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Davoil, Inc.  
P. O. Box 122269  
Fort Worth, Texas 76121-2269

Attention: Ms. Debbie Singleton

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

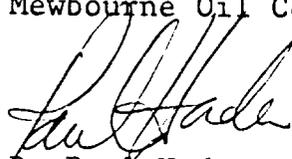
Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

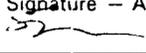
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,  
 Mewbourne Oil Company  
  
 D. Paul Haden  
 Landman

DPH/nb  
 enclosure

<p><b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.          Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the item from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p>	
<p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)          2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:          DAVOIL, INC.          P. O. BOX 122269          FT WORTH, TEXAS 76121          ATTN: DEBBIE SINGLETON           RED LAKE/PH</p>	<p>4. Article Number          P 124 765 954</p> <p>Type of Service:  <input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature -- Addressee          X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature -- Agent          X </p>	
<p>7. Date of Delivery          10-14-91</p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Oryx Energy Company  
P. O. Box 26300  
Oklahoma City, Oklahoma 73126-0300

Attention: Mr. Ken L. Gray

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

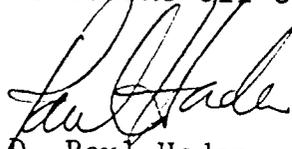
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

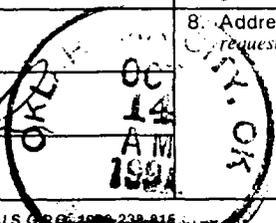
Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<p>● <b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:</p> <p>ORYX ENERGY COMPANY POB 23600 OKLAHOMA CITY, OK 73126 ATTN: KEN L. GARY</p> <p>RED LAKE/PH</p>	<p>4. Article Number P 124 765 950</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Addressee X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X</p>	
<p>7. Date of Delivery</p>	



# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Eugene S. Nearburg  
P. O. Box 823085  
Dallas, Texas 75382-3085

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

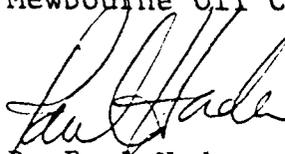
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

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<p>3. Article Addressed to:</p> <p>EUGENE E. NEARBURG POB 823085 DALLAS, TX 75382</p> <p>RED LAKE/PH</p>	<p>4. Article Number P 124 765 949</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Addressee X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent <i>Charlath Goldson</i></p>	
<p>7. Date of Delivery 10-15-81</p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Yates Petroleum Corporation  
105 South 4th Street  
Artesia, New Mexico 88210

Attention: Mr. Robert Bullock

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

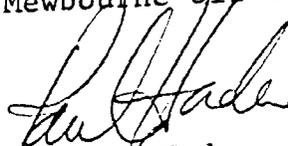
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company

  
D. Paul Haden  
Landman

DPH/nb  
enclosure

<p>● <b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to:  <b>YATES PETROLEUM CORP.</b>  <b>105 SOUTH 4TH STREET</b>  <b>ARTESIA, NM 88210</b>  <b>ATTN: ROBERT BULLOCK</b></p> <p><b>RED LAKE/PH</b></p>	<p>4. Article Number  <b>P 124 765 959</b></p> <p>Type of Service:  <input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b></p>
<p>5. Signature - Addressee  <b>X</b></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)  <b>105 S. 4TH</b></p>
<p>6. Signature - Agent  <b>X</b> </p>	
<p>7. Date of Delivery</p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Great Western Drilling Company  
P. O. Box 1659  
Midland, Texas 79702

Attention: Mr. Mike S. Heathington

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

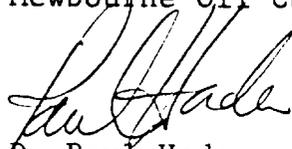
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

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<p>3. Article Addressed to:</p> <p>GREAT WESTERN DRILLING POB 1659 MIDLAND, TEXAS 79702 ATTN: MIKE HEATHINGTON</p> <p>RED LAKE/PH</p>	<p>4. Article Number <i>P 124 765 955</i></p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <u>DATE DELIVERED</u>.</p>
<p>5. Signature - Addressee <b>X</b></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent <b>X</b> <i>M. Bishop</i></p>	
<p>7. Date of Delivery <i>10-11-91</i></p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Rio Pecos Corporation  
110 West Louisiana, Suite 210  
Midland, Texas 79701-3483

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

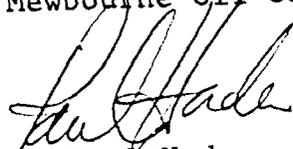
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<p>● <b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: RIO PECOS CORPORATION 110 W LOUISIANA, STE 210 MIDLAND, TEXAS 79701</p>	<p>4. Article Number P 124 765 958</p>
<p>RED LAKE/PH</p>	<p>Type of Service:  <input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p>
<p>5. Signature - Addressee X</p>	<p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>6. Signature - Agent * <i>Scott E. Wilson</i></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>7. Date of Delivery 10-11-91</p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Bulldog Energy  
P. O. Box 668  
Artesia, New Mexico 88210

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<p>● <b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.</p> <p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3 Article Addressed to:</p> <p>BULLDOG ENERGY POB 668 ARTESIA, NM 88210</p> <p>RED LAKE/PH</p>	<p>4. Article Number P 124 765 951</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <u>DATE DELIVERED</u>.</p>
<p>5. Signature - Addressee X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X <i>Misti McLurg</i></p>	
<p>7. Date of Delivery 10-11-91</p>	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Amoco Production Company  
P. O. Box 3092  
Houston, Texas 77253

Attention: Mr. Jerry M. West

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

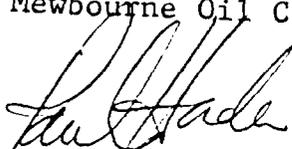
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

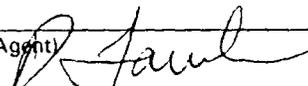
Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company

  
D. Paul Haden  
Landman

DPH/nb  
enclosure

<b>SENDER:</b> <ul style="list-style-type: none"> <li>• Complete items 1 and/or 2 for additional services.</li> <li>• Complete items 3, and 4a &amp; b.</li> <li>• Print your name and address on the reverse of this form so that we can return this card to you.</li> <li>• Attach this form to the front of the mailpiece, or on the back if space does not permit.</li> <li>• Write "Return Receipt Requested" on the mailpiece next to the article number.</li> </ul>		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to:  AMOCO PRODUCTION COMPANY POB 3092 HOUSTON, TEXAS 77253 ATTN: JERRY WEST  REL LAKE/PH		4a. Article Number P-124-765-964	
		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
5. Signature (Addressee)		7. Date of Delivery OCT 11 1990	
6. Signature (Agent) 		8. Addressee's Address (Only if requested and fee is paid)	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Arco Oil & Gas Company  
P. O. Box 1610  
Midland, Texas 79701

Attention: Ms. Melanie Bell

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

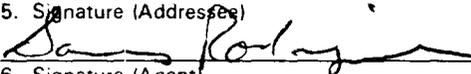
Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<b>SENDER:</b> <ul style="list-style-type: none"> <li>• Complete items 1 and/or 2 for additional services.</li> <li>• Complete items 3, and 4a &amp; b.</li> <li>• Print your name and address on the reverse of this form so that we can return this card to you.</li> <li>• Attach this form to the front of the mailpiece, or on the back if space does not permit.</li> <li>• Write "Return Receipt Requested" on the mailpiece next to the article number.</li> </ul>		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to:  ARCO OIL AND GAS COMPANY POB 1610 MIDLAND, TEXAS 79701 ATTN: MELANIE BELL		4a. Article Number P124 765 963	
REDLAKE/PH		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
5. Signature (Addressee) 		7. Date of Delivery OCT 11 1991	
6. Signature (Agent)		8. Addressee's Address (Only if requested and fee is paid)	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715  
FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Exxon Company, USA  
P. O. Box 1600  
Midland, Texas 79702-1600

Attention: Mr. Joe B. Thomas

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

Mewbourne Oil Company is seeking an exception to the well location requirements of Division Rule 104 C.(2)(b) and has applied with the Division for approval of an unorthodox gas well location as described above for all formations spaced on 320 acres.

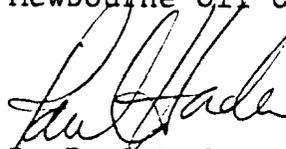
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

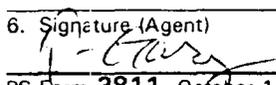
Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<b>SENDER:</b> <ul style="list-style-type: none"> <li>• Complete items 1 and/or 2 for additional services.</li> <li>• Complete items 3, and 4a &amp; b.</li> <li>• Print your name and address on the reverse of this form so that we can return this card to you.</li> <li>• Attach this form to the front of the mailpiece, or on the back if space does not permit.</li> <li>• Write "Return Receipt Requested" on the mailpiece next to the article number.</li> </ul>		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
3. Article Addressed to: EXXON COMPANY USA P. O. BOX 1600 MIDLAND, TEXAS 79701 ATTN: JOE B. THOMAS		4a. Article Number P 124 765 961	
RED LAKE/PH		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
5. Signature (Addressee)  6. Signature (Agent) 		7. Date of Delivery OCT 11 1991	
PS Form 3811, October 1990		8. Addressee's Address (Only if requested and fee is paid)	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Bonneville Fuels Corporation  
1600 Broadway, Suite 1110  
Denver, Colorado 80202

Attention: Mr. Larry Lillo

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake Atoka-Morrow (Gas)  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company, as operator, proposes to drill the captioned well at a point located 990 feet from the South line and 1980 feet from the West line of the above described Section 16 to test all formations from the surface through the Morrow formation. The proposed test well will be drilled to approximately 9,900 feet beneath the surface to test the Red Lake Atoka-Morrow (Gas) Pool with the W/2 of the captioned Section 16 being dedicated to the well.

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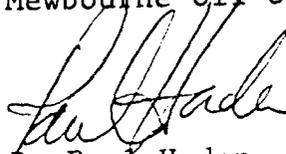
Mewbourne wishes to drill its well at the proposed location as we feel it is necessary if we are to recover oil and gas reserves underlying our lease. We are also convinced that the distance from the proposed well location to other producers in the area is sufficient to insure no harmful effect on other producers.

If you have no objection to the Division granting Mewbourne approval to drilling its well at the proposed unorthodox gas well location, please sign and date the attached Waivers of Objection and return them to me for further handling in the enclosed self-addressed envelope.

Should you have any questions regarding Mewbourne's intentions as described above or wish to discuss this matter further, please call. Your prompt and favorable response will be greatly appreciated.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

DPH/nb  
enclosure

<p>● <b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.</p>	
<p>1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)      2. <input type="checkbox"/> Restricted Delivery (Extra charge)</p>	
<p>3. Article Addressed to: BONNEVILLE FUELS CORP 1600 BROADWAY, STE 1110 DENVER, CO 80202 ATTN: LARRY LILLO</p>	<p>4. Article Number P 124 765 952</p>
<p>Type of Service:</p> <p><input type="checkbox"/> Registered      <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified      <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail      <input type="checkbox"/> Return Receipt for Merchandise</p>	
<p>Always obtain signature of addressee or agent and <u>DATE DELIVERED</u>.</p>	
<p>5. Signature - Addressee X <i>J. Spiek</i></p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X</p>	
<p>7. Date of Delivery</p>	



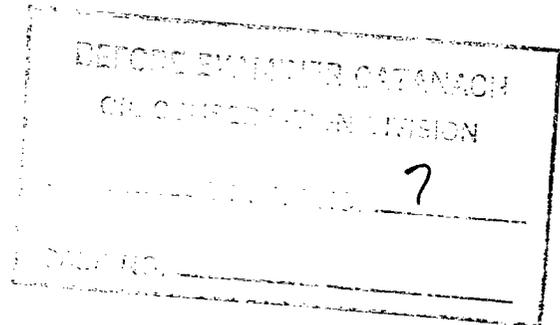
**Amoco Production Company**

Southeast Business Unit  
501 WestLake Park Boulevard  
Post Office Box 3092  
Houston, Texas 77253-3092

James F. Trickett  
Manager, Environmental Safety & Regulatory Affairs

October 30, 1991

Mewbourne Oil Company  
500 W. Texas, Suite 1020  
Midland, Texas 79701



Gentlemen:

Waiver of Objection,  
Application for Unorthodox Drilling Location  
W/2 Section 16, T18S, R27E  
Eddy County, New Mexico

Amoco Production Company hereby advises that we have been duly notified of this application. We have no objection to Mewbourne Oil Company's unorthodox location for the Red Lake State #1 Well at 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

We hereby waive objection to this location and we waive notice of hearing regarding same.

Yours very truly,

JWC/kf

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

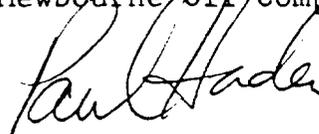
Gentlemen:

Exxon Company, U.S.A., as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Exxon Company, U.S.A. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

By: Michael W. Andrews  
Michael W. Andrews, Supervisor  
Date Signed: 10/29/91

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Featherstone Development Corp., as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

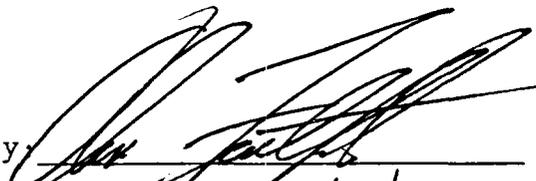
This letter is to advise that Featherstone Development Corp. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



B. Paul Haden  
Landman

By: 

Date Signed: 10/24/91

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

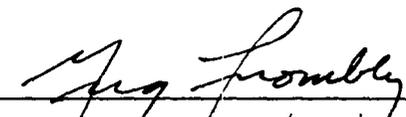
Bonneville Fuels Corp., as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Bonneville Fuels Corp. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company

  
D. Paul Haden  
Landman

By: 

Date Signed: 10/22/91

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

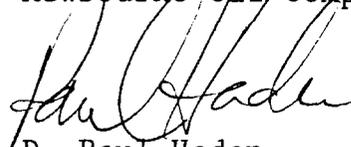
Gentlemen:

Davoil, Inc., as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Davoil, Inc. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company

  
D. Paul Haden  
Landman

By: Thomas A. Knapik  
THOMAS A. KNAPIK, Pres.  
Date Signed: 10/25/91

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

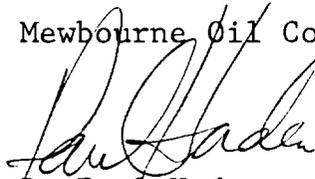
Gentlemen:

Hondo Oil & Gas Company, as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Hondo Oil & Gas Company has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

By: E. J. Billings Jr.

Date Signed: 10/30/91

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

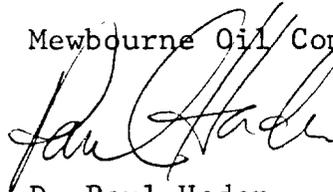
Gentlemen:

Great Western Drilling Company, as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Great Western Drilling Company has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

By: Pat B. Stogner

Date Signed: 10-10-91

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

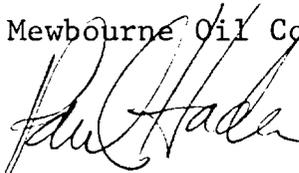
Gentlemen:

Oxy USA, Inc., as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Oxy USA, Inc. has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

*OXY USA INC.*

By: *Richard E. Foyquan*

Date Signed: *10-18-91*

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Bulldog Energy, as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Bulldog Energy has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

By: Mark C. Chis

Date Signed: November 25, 1991  
October 23, 1991

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

October 10, 1991

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Michael Stogner

RE: Application for Unorthodox  
Location Drilling Permit  
Red Lake State #1 Well  
W/2 of Section 16, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Oryx Energy Company, as an offset operator or offset lessee or unleased mineral owner, has been advised of Mewbourne Oil Company's intent to drill the above referenced well at a location 990' FSL & 1980' FWL of Section 16, T18S, R27E, Eddy County, New Mexico.

This letter is to advise that Oryx Energy Company has no objection to the granting of a permit to drill at this location and hereby waives objection and notice of hearing on this application.

Sincerely,

Mewbourne Oil Company



D. Paul Haden  
Landman

By: J. G. Aske

Date Signed: 11-6-91



HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By

*James Bruce*

James Bruce  
500 Marquette, N.W.  
Suite 800  
Albuquerque, N.M. 87102  
(505) 768-1500

Subscribed and sworn to before me this 4<sup>th</sup> day of  
November, 1991, by James Bruce.

*Gisa C. Ellsworth*  
Notary Public

My commission expires:

11-22-91

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

500 MARQUETTE N.W., SUITE 800  
ALBUQUERQUE, NEW MEXICO 87102-2121

(505) 768-1500

FAX (505) 768-1529

OF COUNSEL  
O. M. CALHOUN\*  
MACK EASLEY  
JOE W. WOOD  
RICHARD S. MORRIS

CLARENCE E. HINKLE (1904-1985)  
W. E. BONDURANT, JR. (1913-1973)  
ROY C. SNOODGRASS, JR. (1914-1987)

October 14, 1991

700 UNITED BANK PLAZA  
POST OFFICE BOX 10  
ROSWELL, NEW MEXICO 88202  
(505) 622-6510  
FAX (505) 623-9332

2800 CLAYDESTA NATIONAL BANK BUILDING  
POST OFFICE BOX 3580  
MIDLAND, TEXAS 79702  
(915) 683-4691  
FAX (915) 683-6518

1700 TEAM BANK BUILDING  
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AMARILLO, TEXAS 79105  
(806) 372-5569  
FAX (806) 372-9761

218 MONTEZUMA  
POST OFFICE BOX 2068  
SANTA FE, NEW MEXICO 87504  
(505) 982-4554  
FAX (505) 982-8623

LEWIS C. COX  
PAUL W. EATON  
CONRAD E. COFFIELD  
HAROLD L. HENSLEY, JR.  
STUART D. SHANOR  
ERIC D. LANPHERE  
C. D. MARTIN  
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MARSHALL G. MARTIN  
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WILLIAM B. BURFORD\*  
RICHARD E. OLSON  
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JAMES M. HUDSON  
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MACDONNELL GORDON  
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STANLEY K. KOTOVSKY, JR.  
BETTY H. LITTLE\*  
RUTH S. MUSGRAVE  
HOWARD R. THOMAS  
ELLEN S. CASEY  
S. BARRY PAISNER  
MARGARET CARTER LUDEWIG  
MARTIN MEYERS  
GREGORY S. WHEELER  
ANDREW J. CLOUTIER  
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GARY W. LARSON  
STEPHANIE LANDRY  
JOHN R. KULSETH, JR.  
LISA K. SMITH\*  
JAMES K. SCHUSTER\*

\*NOT LICENSED IN NEW MEXICO

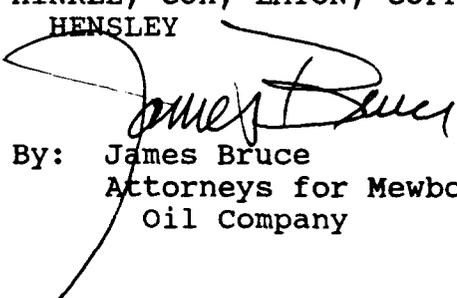
**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

TO: Addressees on Exhibit A

Enclosed for your information is a copy of an Application for Compulsory Pooling of the W $\frac{1}{2}$  of Section 16, Township 18 South, Range 27 East, Eddy County, New Mexico, which was filed with the New Mexico Oil Conservation Division on behalf of Mewbourne Oil Company. Records indicate each of you owns mineral interests in the W $\frac{1}{2}$  of Section 16. This Application will be heard by the Oil Conservation Division on Thursday, November 7, 1991, at 8:15 a.m., at the Division's offices at 310 Old Santa Fe Trail, Santa Fe, New Mexico 87501. Failure to appear at that time will preclude you from contesting this matter at a later date.

Very truly yours,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

  
By: James Bruce  
Attorneys for Mewbourne  
Oil Company

EXHIBIT

A

EXHIBIT A

Chevron USA Inc.  
P. O. Box 1150  
Midland, Texas 79702  
Attention: Mr. James E. Baca

Conoco, Inc.  
10 Desta Drive West  
Midland, Texas 79705-4514  
Attention: Mr. J. J. Johnson

Exxon Company, U.S.A.  
P. O. Box 1600  
Midland, Texas 79702-1600  
Attention: Mr. Joe B. Thomas

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MEWBOURNE OIL COMPANY  
FOR COMPULSORY POOLING AND AN UN-  
ORTHODOX GAS WELL LOCATION, EDDY COUNTY,  
NEW MEXICO.

No. \_\_\_\_\_

APPLICATION

Mewbourne Oil Company hereby makes application for an order pooling all mineral interests from the base of the Abo formation to the base of the Morrow formation underlying the  $W\frac{1}{2}$  of Section 16, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and for an unorthodox gas well location, and in support thereof states:

1. Applicant is an interest owner and has the right to drill a well in the  $W\frac{1}{2}$  of said Section 16.

2. Applicant proposes to drill its Red Lake State No. 1 Well in the  $W\frac{1}{2}$  of Section 16, at an unorthodox location 990 feet from the South line and 1980 feet from the West line of the Section, to a depth sufficient to test the Morrow formation, and seeks to dedicate the following acreage to the well:

(a) The  $W\frac{1}{2}$  of Section 16 for all pools or formations spaced on 320 acres;

(b) The  $SW\frac{1}{4}$  of Section 16 for all pools or formations spaced on 160 acres;

(c) The  $S\frac{1}{2}SW\frac{1}{4}$  of Section 16 for all pools or formations spaced on 80 acres; and

(d) The  $SE\frac{1}{4}SW\frac{1}{4}$  of Section 16 for all pools or formations spaced on 40 acres.

3. Applicant has in good faith sought to join all other mineral or leasehold interest owners in the  $W\frac{1}{2}$  of Section 16 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral or leasehold interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their acreage. Therefore, Applicant seeks an order pooling all mineral and leasehold interest owners underlying the  $W\frac{1}{2}$  of Section 16, as described above, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

5. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

6. The pooling of all interests underlying the  $W\frac{1}{2}$  of Section 16, as described above, and the approval of the unorthodox gas well location will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Applicant requests that the Division grant the relief requested above.

Dated: 10/10/91.

Respectfully Submitted,

HINKLE, COX, EATON, COFFIELD &  
HENSLEY

By 

James Bruce  
500 Marquette, N.W.  
Suite 800  
Albuquerque, New Mexico 87102  
(505) 768-1500

Attorneys for Applicant



UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

**SENDER INSTRUCTIONS**  
 Print your name, address and ZIP Code in the space below.  
 • Complete items 1, 2, 3, and 4 on the reverse.  
 • Attach to front of article if space permits, otherwise affix to back of article.  
 • Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE USE, \$300



Print Sender's name, address, and ZIP Code in the space below.

RETURN TO

*Hinkle, Cox, Eaton*  
*500 Marguerite N.W. #800*  
*Albuquerque, NM 87102*

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE. CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

- If you want this receipt postmarked, stick the gummed stub to the right of the return address leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
- If you do not want this receipt postmarked, stick the gummed stub to the right of the return address of the article, date, detach and retain the receipt, and mail the article.
- If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
- If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
- Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
- Save this receipt and present it if you make inquiry.

U.S.G.P.O. 1989-234-555

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE. CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

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- If you do not want this receipt postmarked, stick the gummed stub to the right of the return address of the article, date, detach and retain the receipt, and mail the article.
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U.S.G.P.O. 1989-234-555

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- If you do not want this receipt postmarked, stick the gummed stub to the right of the return address of the article, date, detach and retain the receipt, and mail the article.
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- Save this receipt and present it if you make inquiry.

U.S.G.P.O. 1989-234-555

DB

1.01111111 / 8950307

RETURN TO

**SENDER INSTRUCTIONS**  
 Print your name, address, and ZIP Code in the space below.  
 • Complete items 1, 2, 3, and 4 on the reverse.  
 • Attach to front of article if space permits, otherwise affix to back of article.  
 • Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE USE, \$300



OCT 21 1991

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

**HINKLE, COX (WRONG SENDER)**  
**ATTORNEYS AT LAW**  
 (No. and address unknown) P.O. Box 806  
**ALBUQUERQUE, NEW MEXICO 87109**  
 (City, State, and ZIP Code)

**SENDER: Complete items 1, 2, 3 and 4.** Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested.

Show to whom, date and address of delivery. (for services requested)

Restricted Delivery. (Extra charge)

3. Article Addressed to: *Chewron*  
*Box 1150*  
*Midland, TX 79702*

4. Article Number: *544758285*

Type of Service:  
 Registered  
 Certified  
 Express Mail  
 Insured  
 COD  
 Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Addressee

6. Signature - Agent

7. Date of Delivery: *OCT 18 1991*

9. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

**SENDER: Complete items 1, 2, 3 and 4.** Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested.

Show to whom, date and address of delivery. (for services requested)

Restricted Delivery. (Extra charge)

3. Article Addressed to: *Chewron USA Inc.*  
*P.O. Box 1150*  
*Midland, TX 79702-1600*  
*Attn: Joe B. Thomas*

4. Type of Service:  
 Registered  
 Certified  
 Express Mail  
 Insured  
 COD  
 Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

6. Signature - Agent

7. Date of Delivery: *OCT 18 1991*

8. Addressee's Address (ONLY if requested and fee paid)

9. Addressee's Address (ONLY if requested and fee paid)

P 545 445 752 852 285

RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-234-555

Special to: *Chewron USA Inc.*  
Street and No: *P.O. Box 1150*  
City, State and ZIP Code: *Midland, TX 79702*  
Attn: *James E. Daer*

Postage \$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt showing to whom and Date Delivered

Return Receipt showing to whom, Date and Address of Delivery

TOTAL Postage and Fees \$

Postmark or Date

P 544 444 752 852 284

RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-234-555

Special to: *Arco, Inc.*  
Street and No: *10. Pesta-Dave West*  
City, State and ZIP Code: *Midland, TX 79705-4514*  
Attn: *J.J. Johnson*

Postage \$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt showing to whom and Date Delivered

Return Receipt showing to whom, Date, and Address of Delivery

TOTAL Postage and Fees \$

Postmark or Date

P 544 444 752 852 285

RECEIPT FOR CERTIFIED MAIL  
NO INSURANCE COVERAGE PROVIDED  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

U.S.G.P.O. 1989-234-555

Special to: *Exxon Company Inc.*  
Street and No: *P.O. Box 1100*  
City, State and ZIP Code: *Midland, TX 79702*  
Attn: *Joe B. Thomas*

Postage \$

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt showing to whom and Date Delivered

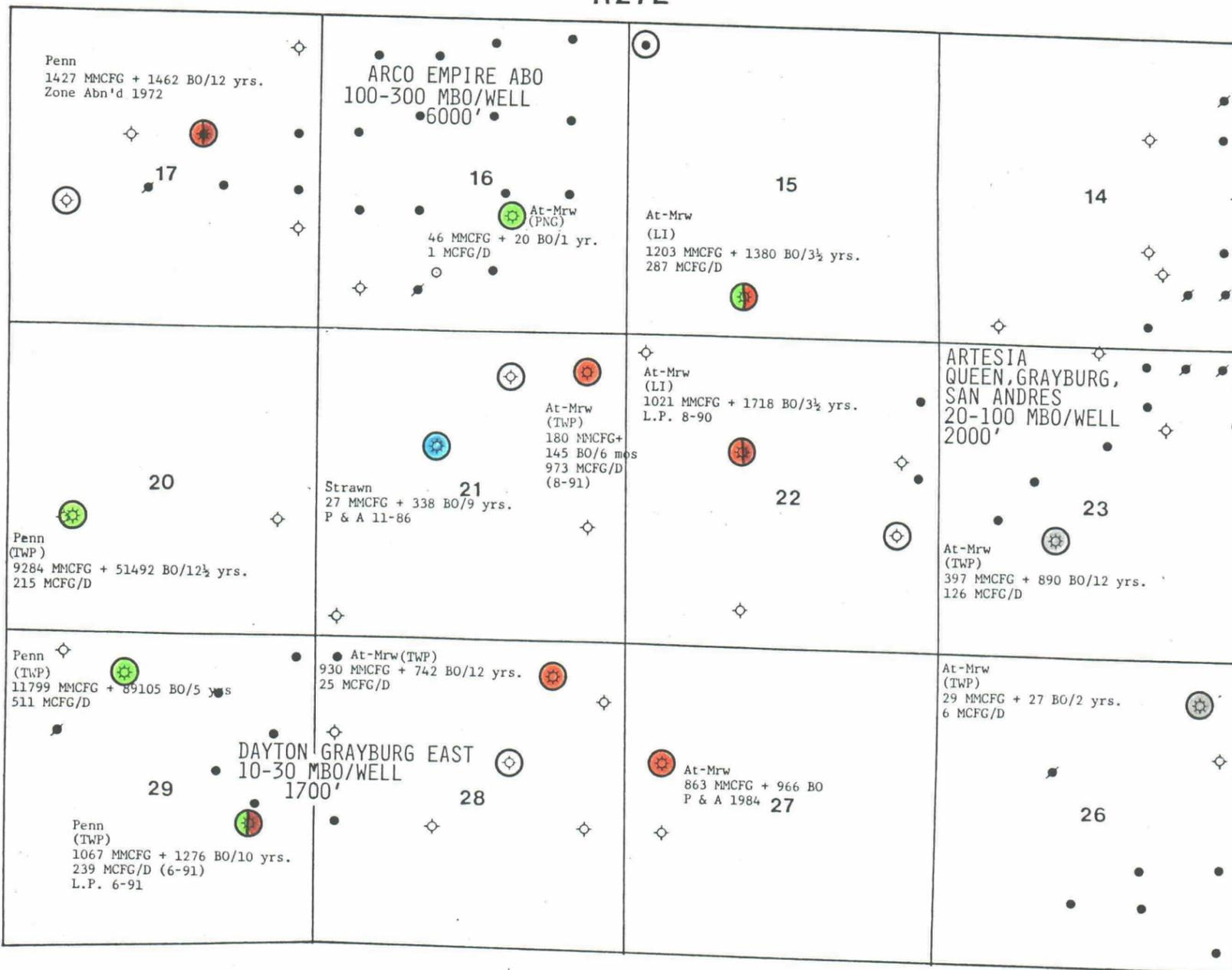
Return Receipt showing to whom, Date, and Address of Delivery

TOTAL Postage and Fees \$

Postmark or Date

R27E

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1  
8  
S



EDDY CO., N.M.

SCALE: 1 MILE

KEY:

- MORROW PENETRATION
- LOWER MORROW BROWN SAND
- LOWER MORROW ORANGE SAND
- LOWER MORROW GRAY SAND
- MIDDLE MORROW SAND
- STRAWN PRODUCER

PIPELINES:

- LI - LLANO INCORPORATED
- PNG - PHILLIPS 66
- TWP - TRANSWESTERN PIPELINE CO.

MOC

**MEWBOURNE OIL COMPANY**

MIDLAND, TEXAS DISTRICT

RED LAKE PROSPECT

EDDY COUNTY, NEW MEXICO

PENNSYLVANIAN GAS PRODUCTION STUDY

CUMULATIVE PRODUCTION THROUGH JULY 1991

DAILY GAS RATES AS OF JULY 1991

OCTOBER 1991

J. DAVID OVERTON/JH

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

EXHIBIT NO. 9

CASE NO. \_\_\_\_\_