

MEWBOURNE OIL COMPANY

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January 6, 1993

BEFORE EXAMINER ON FILE
OIL CONSERVATION DIVISION
_____ 5B
CASE NO. 10636

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Attn: Mr. Wayne L. Ransbottom
Region Landman

Re: Diamond A "27" State #1
E/2 Section 27 T17S-R28E
Turkey Track "15" State #2
E/2 Section 15-T18S-R28E
Both in Eddy County, New Mexico

Gentlemen:

As you are aware, in the last year, Mewbourne Oil Company has made countless offers to Marathon Oil Company to either jointly participate in the development of the captioned lands, or cooperate with us in some manner to allow Mewbourne Oil Company to develop the captioned lands. In addition, in the numerous discussions and meetings between representatives of our companies, Mewbourne Oil Company has reiterated its willingness to work with Marathon Oil Company, yet Marathon has shown very little desire to cooperate with Mewbourne, and in fact has been an obstruction to development of the captioned lands.

Mewbourne Oil Company has done an enormous amount of work in preparing to drill the captioned wells, including making commitments to farmers, partners and drilling contractors. Therefore, Mewbourne respectfully requests, once again, that Marathon Oil Company consider the following proposals:

- 1) Join Mewbourne in drilling the captioned Morrow wells as to all of your interest.
- 2) Join Mewbourne in drilling the captioned Morrow wells, however, only to the extent of your interest in any shallow zones, with Mewbourne to bear the cost of drilling and completing deeper zones.
- 3) Farmout your interest in the captioned lands to Mewbourne in accordance with the terms proposed December 1, 1992.

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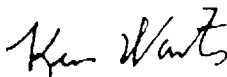
- 4) Sell your interest in the captioned lands to Mewbourne on the basis of \$250 per net acre, delivering to Mewbourne all of your net revenue interest.

Mewbourne Oil Company desires very much to work with Marathon Oil Company and avoid the time, expense and unnecessary delays associated with a protested hearing at the Oil Conservation Division.

Should you have any questions or proposals of your own, please let us know. Your prompt attention to this matter is sincerely appreciated.

Yours truly,

Mewbourne Oil Company



Ken Waits
District Exploration Manager

KW/klc