

MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

September 15, 1992

Commissioner of Public Lands
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87504
Attn: Floyd Prando

Re: North Empire Prospect
W/2 Section 20-17S-29E
Eddy County, New Mexico

Gentlemen,

Mewbourne Oil Company (Mewbourne) currently owns 100% of the Working Interest and operates the New Mexico "EO" State Com. #1 well located 1980' FNL & 660' FWL of Section 20-17S-29E, Eddy County, New Mexico. This well is currently producing from the Morrow formation which is communitized pursuant to that certain Communitization Agreement dated June 1, 1985 as approved December 26, 1985, covering the W/2 of said Section 20-17S-29E.

Pursuant to said Communitization Agreement, Mewbourne hereby gives notice that we intend to temporarily abandon the Morrow formation and attempt a completion in the Atoka formation at a depth of 10,386' in said well and at the same time commence the drilling of a Morrow test to be located 2180' FNL and 1980' FWL of Section 20-17S-29E. This test is the Empire "20" State #1 and will be governed by the above referenced Communitization Agreement.

We sincerely appreciate your cooperation in this matter, and ask that you contact the undersigned should you have any questions.

Sincerely,



Steven Cobb
District Landman

SC/klc
cc: Allen Brinson
Paul Haden
Ken Waits

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

CEIVED

AUG 18 1992

Form C-101
Revised 1-1-89

O. C. D.
ARTESIA OFFICE

API NO. (assigned by OCD on New Wells) 30-015-25077	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. E-742	
7. Lease Name or Unit Agreement Name EO New Mexico State Comm	
8. Well No. #1-EO	
9. Pool name or Wildcat South Empire Morrow Gas Pool	
10. Proposed Depth 10,440'	
11. Formation Atoka	
12. Rotary or C.T.	
13. Elevations (Show whether DF, RT, GR, etc.) 3637.60'	
14. Kind & Status Plug. Bond Blanket on File	
15. Drilling Contractor	
16. Approx. Date Work will start Upon Approval	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/>					
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator Mewbourne Oil Company					
3. Address of Operator P.O. Box 5270 Hobbs, New Mexico 88241					
4. Well Location Unit Letter E : 1980 Feet From The North Line and 660 Feet From The West Line Section 20 Township 17S Range 29E NMPM Eddy County					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP

Set 5-1/2" CIBP at \pm 10,480' and cap with 35' cement to abandon Morrow perforations 10,604' - 10,660'. Perforate Atoka formation from 10,386' - 10,394'. Treat and evaluate.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 3/25/93
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE E. W. Williams TITLE Engineer DATE Sept. 17, 1992
TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)

ORIGINAL SIGNED BY
MIKE WILLIAMS
SUPERVISOR, DISTRICT II

APPROVED BY _____ DATE SEP 28 1992

CONDITIONS OF APPROVAL, IF ANY:

1. 1000
2. 1000
3. 1000
4. 1000
5. 1000
6. 1000
7. 1000
8. 1000
9. 1000
10. 1000

11. 1000
12. 1000
13. 1000
14. 1000
15. 1000
16. 1000
17. 1000
18. 1000
19. 1000
20. 1000

21. 1000
22. 1000
23. 1000
24. 1000
25. 1000
26. 1000
27. 1000
28. 1000
29. 1000
30. 1000

31. 1000
32. 1000
33. 1000
34. 1000
35. 1000
36. 1000
37. 1000
38. 1000
39. 1000
40. 1000