

**MEWBOURNE OIL COMPANY**

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TYLER, TEXAS 75711  
903 - 561-2900  
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January 30, 2002

UPS NEXT DAY AIR #1Z F69 8E8 22 1001 509 1

Mr. Tim Gum, District II Supervisor  
New Mexico Oil Conservation Division  
1301 W. Grand Ave.  
Artesia, NM 88210



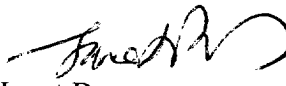
RE: Case No. 12811: Inactive Non-Compliance Wells  
Chalk Bluff 12 Fed #2                      State IX Gas Com #1  
L-12-18S-27E                                  H-06-24S-25E  
API #30-015-27727                          API #30-015-23523  
Eddy Co., NM                                  Eddy Co., NM

Dear Mr. Gum:

As requested in our telephone conversation on 1/25/02, this letter addresses the issues we discussed regarding the two subject wells which are included on Exhibit A accompanying the NMOCD's application for an order to bring inactive wells into compliance and a letter from David K. Brooks, Assistant General Counsel, regarding a hearing on this application which is to be held February 22, 2002. Enclosed please find a copy of Exhibit A and copies of correspondence mailed to your office concerning the two subject wells.

The Chalk Bluff 12 Fed #2 well was never drilled. Regarding the status of the State IX Gas Com #1 well, this well is still shut in. Mewbourne obtained a farmout and became the operator of this well for the purpose of drilling a new well on the same lease. However, EXCO remains responsible for well operations, and on 10/12/01 EXCO provided a One-Well Plugging Bond for the State IX Gas Com #1 well. If you have any questions, please call me at (903) 561-2900.

Yours truly,

  
Janet Burns  
Reg. Tech.

Enclosures

cc: Mickey Young - Hobbs  
Steve Cobb - Midland