

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mewbourne Oil Company

c/o **James Bruce**

P. O. Box 1056

Santa Fe, New Mexico 87504

June 30, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

AMENDED Division Administrative Order NSL-5382

Dear Mr. Bruce:

Reference is made to the following: (i) your application (*administrative application reference No. pMES0-618146485*) filed on behalf of the operator Mewbourne Oil Company ("MOC") and submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on June 14, 2006; and (ii) the Division's records in Artesia and Santa Fe, including the file on Division Administrative Order NSL-5382: all concerning MOC's request to amend Division Administrative Order NSL-5382, dated May 25, 2006, which order granted MOC's request to drill its proposed Geronimo "30" Federal Well No. 3 at an unorthodox oil well location 1980 feet from the North line and 1515 feet from the West line (Unit F) of Section 30, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico, within the SE/4 NW/4 of Section 30, being a standard 40-acre oil spacing and proration unit within the Undesignated North Lusk-Bone Spring Pool (41450).

It is the Division's understanding the proposed well site will be moved approximately 148 feet southwest to a more unorthodox location within this 40-acre unit 2086 feet from the North line and 1412 feet from the West line (Unit F) of Section 30 at the request of the U. S. Bureau of Land Management after a "Lizard Survey" was conducted.

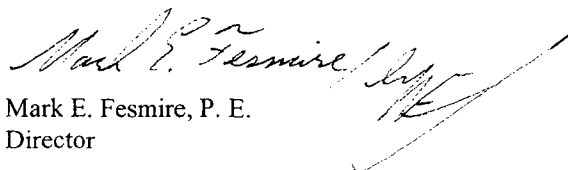
Your application for MOC to amend Division Administrative Order NSL-5382 has been duly filed under the provisions of Division Rules 104.F and 1210.A (2) [formerly Division Rule 1207.A (2), see Division Order No. R-12327-A, issued by the New Mexico Oil Conservation Commission in Case No. 13482 on September 15, 2005].

By the authority granted me under the provisions of Division Rule 104.F (2) the above-described unorthodox Bone Spring oil well location [2086 feet from the North line and 1412 feet from the West line (Unit F) of Section 30] for MOC's proposed Geronimo "30" Federal Well No. 3 is hereby approved.

Further, Division Administrative Order NSL-5382 shall be amended to reflect this location change for the Geronimo "30" Federal Well No. 3. All other provisions of Division Order NSL-5382 shall remain in full force and effect until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs
U. S. Bureau of Land Management – Carlsbad
File: Division Administrative Order NSL-5382