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SEP 2 0 2004

**OIL CONSERVATION** DIVISION

September 15, 2004

VIA OVERNIGHT MAIL

Mewbourne Oil Company 500 W. Texas Ave., Suite 1020 Midland, Texas 79701-4200

Attn:

Steven J. Smith

RE

CASH CALL Falcon Keyes "33" State COM "33" #1 W/2 Section 33, T16S-R28E **Crow Flats Area Eddy County, New Mexico** 

Dear Steve:

As we have discussed, Edge Petroleum Exploration Company will participate in the referenced well for the full 12.50% interest of Chisos, Ltd., pursuant to an unrecorded Exploration Agreement dated August 26, 2003 between Edge, Chisos and Pure energy Group. Accordingly, attached please find Edge's check in the amount of \$135,325.00 for our share of total costs to drill, complete and equip the well per Mewbourne's Authority For Expenditure. Please forward the Joint Operating Agreement for this well to Edge and Chisos at your earliest convenience. If you have any questions or need additional information please call me at (713) 427-8843. Thank you very much.

EDGE PETROLEUM EXPLORATION COMPANY

Jeff A. Sikora, CPL Senior Staff Landman isikora@edgepet.com

cc:

Sue Ann Craddock, Chisos, Ltd. Larry Cochran, Pure Energy Group, Inc. Director/NMOCD - Santa Fe (ref: Order R-12192)

## EDGE PETROLEUM OPERATING CO., INC.

Invoice # 091404	Inv. Date 09/14/2004	Description  CASH CALL - DRILLING - CROW FLATS  STATE COM 33 #1	Amount 135,325.00	Discount 0.00	Net Amount 135,325.00
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020478	Vendor	Check Date: 09/15/2004	Che	eck Amount 🛶	135,325.00

WARNING: THE FACE OF THIS DOCUMENT HAS A COPY PROOF BACKGROUND ON WHITE PAPER AND A MICROPRINT SIGNATURE LINE **COMPASS BANK** EDGE PETROLEUM OPERATING CO., INC. P. O. BOX 4444 HOUSTON, TX 77055 88-1054/1130 **PAYABLES ACCOUNT** 1301 TRAVIS, SUITE 2000 HOUSTON, TEXAS 77002 (713) 654-8960 0000023236 09/15/2004 135,325.00 One Hundred Thirty Five Thousand Three Hundred Twenty Five Dollars and Zero Cents Pay MEWBOURNE OIL COMPANY TO P O BOX 7698 THE ORDER TYLER, TX 75711

SECURITY FEATURES INCLUDED. DETAILS ON BACK

AUTHORIZED SIGNATURE