

Case No. 13410
Summary of Communications
S/2SE/4 of Section 29, T18S, R30E
Eddy County, New Mexico

OIL CONSERVATION DIVISION

CASE NUMBER

EXHIBIT NUMBER 3

Randy Lee Cone - owner
e-mail: randycone@hotmail.com

3.33% WI

- 1) Sent offer letter dated 10-27-04 offering to purchase a 2 year term assignment on the basis of \$150.00 per acre with such term assignment providing a 75% net revenue interest.
- 2) Sent well proposal letter dated November 12, 2004 via certified mail with AFE enclosed.
- 3) Received letter from Randy dated 12-24-04 with signed AFE.
- 4) E-mailed Randy 1-17-05 acknowledging our receipt of the signed AFE and that I was preparing an Operating Agreement for his execution.
- 5) Sent letter dated 1-24-05 with our proposed Operating Agreement for his signature.

Bank of Oklahoma, Trustee of
the Trusts created u/w/o Kathleen
Cone, Deceased f/b/o the children
of Tom R. Cone

6.67% WI

- 1) Sent offer letter dated 10-27-04 offering to purchase a 2 year term assignment on the same terms referenced above.
- 2) Sent letter dated 11-12-04 via certified mail with AFE enclosed regarding the proposed well.
- 3) Sent letter via certified mail 1-24-05 with Operating Agreement and AFE enclosed regarding the proposed well.

Kenneth G. Cone - owner;
Kenneth G. Cone, Trustee of
the Trusts created u/w/o Kathleen
Cone, Deceased f/b/o Kenneth
G. Cone

10% WI

10% WI

Kenneth G. Cone and Kathy Shapira (432) 687-4593

- 1) Sent letter dated 10-27-04 offering to purchase a 2 year term assignment on the same terms referenced above.
- 2) Sent letter 1-12-04 via certified mail with AFE enclosed regarding the proposed well.
- 3) Phone called Mr. Cone 1-17-05, left message.
- 4) Received phone call 1-18-05 from Kathy Shapira wherein she advised me that Mr. Cone was out of the country until April.
- 5) Sent certified letter dated 1-24-05 with proposed Operating Agreement with AFE enclosed.

LWJ Partnership

10% WI

Douglas Cone - Partner (806) 535-8160

Cheryl Ross - Assistant to Mr. Cone (806) 535-8160

- 1) Sent letter 10-27-04 offering to purchase a 2 year term assignment on the same terms offered above.
- 2) Sent letter 11-12-04 via certified mail with AFE enclosed proposing the well.
- 3) Follow up call 1-17-05, left message.
- 4) Follow up call 1-18-05, left message.
- 5) Sent letter dated 1-24-05 via certified mail with Operating Agreement and AFE enclosed.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

January 24, 2005

Certified Mail-Return Receipt No. 6222

Randy L. Cone
P.O. Box 552
Jay, Oklahoma 74346

Re: Pinta "29" Federal #1 Well
S/2SE/4 of Section 29,
T18S, R30E
Eddy County, New Mexico

Dear Mr. Cone:

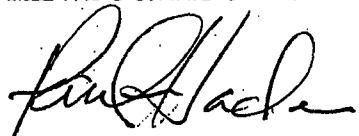
Enclosed for your further handling regarding the captioned well is our Operating Agreement dated January 18, 2005 and set of signature pages regarding same.

Regarding the above, please execute the Operating Agreement and signature pages in the presence of a Notary Public. Retain the executed agreement for your file and return the executed signature pages to me in the enclosed postage paid envelope at your earliest convenience.

Should you have any questions regarding the above, please call me. Your cooperation is greatly appreciated.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Randy Lee Cone - randyccone@hotmail.com.

E-mailed Randy this date to let him know that we received the AFE signed by him. Advised him I was preparing a LTA for his signature, that he'd be named in the pooling pending his execution of the LTA.

Pff.

1-17-05

RANDY L. CONE

P.O. BOX 552
JAY, OK 74346
(918) 854-3170

December 24, 2004

Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, TX 79701

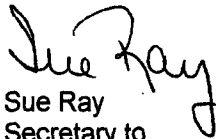
RE: MOC's Pinta "29" Prospect
Eddy Co. NM

Dear Mr. Haden:

Receipt is acknowledged of your lease proposal and AFE on the above captioned acreage. Mr. Cone has decided to participate in the drilling of this well. Enclosed herewith is an executed AFE for your files.

If any additional information is needed, please feel free to contact this office.

Sincerely,



Sue Ray
Secretary to
Randy Cone

/sr

Encl.

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mailpiece, or on the front if space permits.
- Article Addressed to:

Randy Lee Cone
P.O. Box 552
Jay, OK 74346

COMPLETE THIS SECTION ON DELIVERY

- A. Signature *John Lee Cone* ☐ Agent ☐ Addressee
- B. Received by (Print Name) *John Lee Cone* ☐ Date of Delivery *10/24/91*
- D. Is delivery of this article from item 1, 12, 13, YES, ENTER delivery address below ☐ YES ☐ NO

3. Service Type ☒ Registered Mail ☐ Express Mail ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ OOD ☐ Restricted Delivery? (Extra Fee) ☐ YES

2. Article Number (Assignment #445316124)

7002 2410 0000 1362 543D

PS Form 3811, August 2000

Domestic Return Receipt

10/25/91 2410-50

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

November 12, 2004

Via Certified Mail-Return Receipt No. 5430

Randy Lee Cone
P.O. Box 552
Jay, Oklahoma 74346

Re: Pinta "29" Federal #1 Well
510' FSL & 2130' FEL
Section 29, T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (Mewbourne) as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to evaluate the Bone Spring formation, total estimated depth being 7,600' beneath the surface. The S/2SE/4 of the captioned Section 29 will be dedicated to the well for spacing unit purposes.

Title examination indicates you own an undivided 3.33% interest in the S/2SE/4 below a depth of 3,350' beneath the surface. Your interest is currently only burdened by a 1/8 royalty interest.

Regarding the above, enclosed for your consideration and execution is a copy of our AFE dated November 1, 2004 (an estimated well cost) for the captioned proposed well in the event you elect to participate in the well to the extent of your leasehold interest in the referenced spacing unit. Should you elect to participate, please sign and return one (1) copy of the enclosed AFE and I will forward you our Operating Agreement for execution.

In the event you elect not to participate in the captioned proposed well, Mewbourne would be interested in acquiring your interest as previously offered, i.e., \$150.00 per acre for a 2 year term providing Mewbourne a 75% net revenue interest. However, this offer is subject to your acceptance within 30 days of the date of this letter.

Should you have any questions regarding the above, please call or write to me at your earliest convenience. Our phone number and address is on the letterhead.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 27, 2004

Randy Lee Cone
P.O. Box 552
Jay, Oklahoma 74346

Re: MOC's Pinta "29" Prospect
S/2SE/4 as to depths below
the base of the Queen formation
Section 29, T18S, R30E
Eddy County, New Mexico

Dear Mr. Cone:

Mewbourne Oil Company (MOC) as Operator is interested in drilling one or more wells in the E/2 of the captioned Section 29 to a depth sufficient to evaluate the Bone Spring formation, estimated total depth being 8,500 beneath the surface.

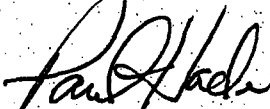
In support of our drilling program, MOC hereby offers to purchase a two (2) year term assignment of operating rights covering your individual 3.33% interest under the captioned land and depths on the basis of \$150.00 per net acre wherein MOC would be delivered a 75% net revenue interest, subject to proportionate reduction.

The referenced term assignment would provide for 180 day continuous development at the end of the primary term. Upon expiration of the primary term or continuous development period whichever comes later, MOC would reassign those lands not included within the geographical boundaries of MOC's producing proration units and rights 100' below the total depth drilled in each such proration unit.

Your early response regarding our offer would be greatly appreciated. Please call me at your convenience should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mail piece, or on the front if space permits.

1. Article/Addressed to:

Bank of Oklahoma, Trustee
P.O. Box 1508
Tulsa, Oklahoma 74101
Attn: Trust Department

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Signature] **FL Agent**

B. Received by (Printed)

☐ Date ☐ No.

D. Is delivery address changing? **NO**
If YES, enter delivery address below

3. Service Type

☒ Certified Mail ☐ Express Mail

☐ Registered ☐ Return Receipt for Merchandise

☐ Insured Mail ☐ O.O.D.

4. Restricted Delivery? (Ex. 753)

☐ Yes

2. Article Number

(master file only)

7002 2410 0000 1362 6215

PS Form 3811, August 2001

Domestic Return Receipt

102595-92A1-1-40

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

January 24, 2005

Certified Mail-Return Receipt No. 6215

Bank of Oklahoma, Trustee
P.O. Box 1508
Tulsa, Oklahoma 74101
Attn: Trust Department

Re: Pinta "29" Federal #1 Well
S/2SE/4 of Section 29,
T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your further handling regarding the captioned well is our Operating Agreement dated January 18, 2005, signature pages and our AFE dated November 1, 2004. This is in regard to the Trusts created u/w/o Kathleen Cone, Deceased for the benefit of the children of Tom R. Cone. Collectively, the Trusts own a 6.67% leasehold interest in Federal Lease Serial No. LC-068402 as to rights below 3,350' beneath the surface to a depth of 11,900' beneath the surface in the captioned land.

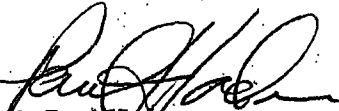
In the event the Cone Trusts elect to participate in the subject proposed well, please have the enclosed Operating Agreement, signature pages and AFEs executed on behalf of the Trusts. Return the executed signature pages and signed AFEs to me at your earliest convenience. Retain the Operating Agreement for your file.

In the event the Cone Trusts elect not to participate in the proposed well, we would still be interested in acquiring a two (2) year term assignment of interest below the base of the Queen formation in the captioned land on the basis of \$150.00 per net acre wherein Mewbourne would be delivered a 75% net revenue interest, subject to proportionate reduction. However, this offer is available for acceptance until February 3, 2004 at 4:00 P.M. CST which is the same date that the compulsory pooling hearing is to occur at an Examiner's hearing in Santa Fe, New Mexico.

Should you have any questions regarding the above, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mail piece, or on the front if space permits.

1. Article Addressed to:

Bank of Oklahoma, Trustee
P.O. Box 1508
Tulsa, OK 74101

2. Article Number
(Transfer from service label)

7002 2410 0000 1362 5447

PS Form 3811, August 2001

Domestic Return Receipt

102505-02-0115-0

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]* ☐ Agent ☐ Addressee

B. Received by (Print Name) *[Name]* ☐ Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below ☐ No

3. Service Type

- ☒ Certified Mail ☐ Express Mail
- ☐ Registered ☐ Return Receipt for Merchandise
- ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery (Extra Fee) ☐ Yes

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

November 12, 2004

Via Certified Mail-Return Receipt No. 5447

Bank of Oklahoma, Trustee
P.O. Box 1508
Tulsa, Oklahoma 74101

Re: Pinta "29" Federal #1 Well
510' FSL & 2130' FEL
Section 29, T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (Mewbourne) as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to evaluate the Bone Spring formation, total estimated depth being 7,600' beneath the surface. The S/2SE/4 of the captioned Section 29 will be dedicated to the well for spacing unit purposes.

Title examination indicates the Bank of Oklahoma, Trustee of the Trusts created u/w/o Kathleen Cone, Deceased f/b/o the children of Tom R. Cone owns an undivided 6.67% interest in the S/2SE/4 below a depth of 3,350' beneath the surface. Your interest is currently only burdened by a 1/8 royalty interest.

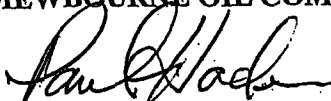
Regarding the above, enclosed for your consideration and execution is a copy of our AFE dated November 1, 2004 (an estimated well cost) for the captioned proposed well in the event you elect to participate in the well to the extent of your leasehold interest in the referenced spacing unit. Should you elect to participate, please sign and return one (1) copy of the enclosed AFE and I will forward you our Operating Agreement for execution.

In the event you elect not to participate in the captioned proposed well, Mewbourne would be interested in acquiring your interest as previously offered, i.e., \$150.00 per acre for a 2 year term providing Mewbourne a 75% net revenue interest. However, this offer is subject to your acceptance within 30 days of the date of this letter.

Should you have any questions regarding the above, please call or write to me at your earliest convenience. Our phone number and address is on the letterhead.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 27, 2004

Bank of Oklahoma, Trustee
P.O. Box 1508
Tulsa, Oklahoma 74101

Re: MOC's Pinta "29" Prospect
S/2SE/4 as to depths below
the base of the Queen formation,
Section 29, T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (MOC) as Operator is interested in drilling one or more wells in the E/2 of the captioned Section 29 to a depth sufficient to evaluate the Bone Spring formation, estimated total depth being 8,500 beneath the surface.

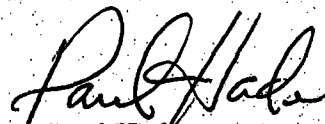
In support of our drilling program, MOC hereby offers to purchase a two (2) year term assignment of operating rights covering the Trusts' 6.67% interest as created u/w/o Kathleen Cone, Deceased f/b/o the children of Tom R. Cone under the captioned land and depths on the basis of \$150.00 per net acre wherein MOC would be delivered a 75% net revenue interest, subject to proportionate reduction.

The referenced term assignment would provide for 180 day continuous development at the end of the primary term. Upon expiration of the primary term or continuous development period whichever comes later, MOC would reassign those lands not included within the geographical boundaries of MOC's producing proration units and rights 100' below the total depth drilled in each such proration unit.

Your early response regarding our offer would be greatly appreciated. Please call me at your convenience should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

January 24, 2005

Certified Mail-Return Receipt No. 6185

Kenneth G. Cone
P.O. Box 11310
Midland, Texas 79702
Attn: Kathy Shapira

Re: Pinta "29" Federal #1 Well
S/2SE/4 of Section 29,
T18S, R30E
Eddy County, New Mexico

Dear Kathy:

Enclosed for your further handling regarding the captioned well is our Operating Agreement dated January 18, 2005, signature pages and our AFE dated November 1, 2004.

In the event Kenneth G. Cone elects to participate in the subject proposed well, please have Mr. Cone execute the enclosed Operating Agreement, signature pages and AFEs. Return the executed signature pages and signed AFEs to me at your earliest convenience. Retain the Operating Agreement for your file.

In the event Mr. Cone elects not to participate in the proposed well, we would still be interested in acquiring a two (2) year term assignment of interest below the base of the Queen formation in the captioned land on the basis of \$150.00 per net acre wherein Mewbourne would be delivered a 75% net revenue interest, subject to proportionate reduction. However, this offer is available for his acceptance until February 3, 2004 at 4:00 P.M. CST which is the same date that the compulsory pooling hearing is to occur at an Examiner's hearing in Santa Fe, New Mexico.

Should you have any questions regarding the above, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Kenneth G. CONE (432) 687-4593
KATHY SHAPIRA - HIS ~~SE~~ ASSISTANT

Called this date, left message for him to call me as to their participation in the proposed well.

PH
1/17/05

Follow-up call this date, left message for Mr. Cone to call me.

PH 1/18/05

Kathy called back and said Mr. Cone was out of the country until some time in April. She didn't know what Kenneth Cone wanted to do regarding his participation in an proposed well.

PH. 1/18/05

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mail piece, or on the front if space permits.
- 1. Article addressed to:

Kenneth G. Cone
P.O. Box 11310
Midland, Texas 79702

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Signature ☐ Agent
- B. Receipt by (Printed Name) ☒ Date of Delivery
- C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☒ No
If yes, enter delivery address below:

8. Item is: ☒ Registered Mail ☐ Registered Mail - Return Receipt for Merchandise ☐ Registered Mail - C.O.D. ☐ Restricted Delivery (3/24/79) ☐ Yes ☒ No

2. Article Number (1/24/79) (3/24/79)

7002 2410 0000 1362 5461

PS Form 3811, August 2001

Postage Paid Permit No. 1111

102395-02-1115-10

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

November 12, 2004

Via Certified Mail-Return Receipt No. 5461

Kenneth G. Cone
P.O. Box 11310
Midland, Texas 79702

Re: Pinta "29" Federal #1 Well
510' FSL & 2130' FEL
Section 29, T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (Mewbourne) as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to evaluate the Bone Spring formation, total estimated depth being 7,600' beneath the surface. The S/2SE/4 of the captioned Section 29 will be dedicated to the well for spacing unit purposes.

Title examination indicates you own an undivided 10% interest individually and an undivided 10% interest in the Trusts Created u/w/o Kathleen Cone f/b/o Kenneth G. Cone in the S/2SE/4 below a depth of 3,350' beneath the surface. Such interests are currently only burdened by a 1/8 royalty interest.

Regarding the above, enclosed for your consideration and execution is a copy of our AFE dated November 1, 2004 (an estimated well cost) for the captioned proposed well in the event you elect to participate in the well to the extent of your leasehold interest in the referenced spacing unit. Should you elect to participate, please sign and return one (1) copy of the enclosed AFE and I will forward you our Operating Agreement for execution.

In the event you elect not to participate in the captioned proposed well, Mewbourne would be interested in acquiring your interest as previously offered, i.e., \$150.00 per acre for a 2 year term providing Mewbourne a 75% net revenue interest. However, this offer is subject to your acceptance within 30 days of the date of this letter.

Should you have any questions regarding the above, please call or write to me at your earliest convenience. Our phone number and address is on the letterhead.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 27, 2004

Kenneth G. Cone
P.O. Box 11310
Midland, Texas 79702

Re: MOC's Pinta "29" Prospect
S/2SE/4 as to depths below
the base of the Queen formation,
Section 29, T18S, R30E
Eddy County, New Mexico

Dear Mr. Cone:

Mewbourne Oil Company (MOC) as Operator is interested in drilling one or more wells in the E/2 of the captioned Section 29 to a depth sufficient to evaluate the Bone Spring formation, estimated total depth being 8,500 beneath the surface.

In support of our drilling program, MOC hereby offers to purchase a two (2) year term assignment of operating rights covering your individual 10% interest and the 10% interest owned by the Trusts created u/w/o Kathleen Cone, Deceased f/b/o Kenneth G. Cone under the captioned land and depths on the basis of \$150.00 per net acre wherein MOC would be delivered a 75% net revenue interest, subject to proportionate reduction.

The referenced term assignment would provide for 180 day continuous development at the end of the primary term. Upon expiration of the primary term or continuous development period whichever comes later, MOC would reassign those lands not included within the geographical boundaries of MOC's producing proration units and rights 100' below the total depth drilled in each such proration unit.

Your early response regarding our offer would be greatly appreciated. Please call me at your convenience should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mail piece, or on one front if space permits.

1. Article Addressed to

**LWJ Partnership
P.O. Box 64244
Lubbock, Texas 79464**

2. Article Number
(Transfer from service label)

7002 2410 0000 1362 6208

3. Return Receipt
(Postage paid by addressee)

Domestic Return Receipt

Postage paid by addressee

COMPLETE THIS SECTION ON DELIVERY

- A. Signed by *Cheryl L. B...*
- B. Received by (Print name)
Cheryl L. B...
- C. Is delivery address different from above?
(If YES, enter delivery address below)

- 3. Signature type
☒ 1. Outward Mail ☐ 2. Express Mail
- ☐ Registered ☒ Return Receipt for Merchandise
- ☐ Insured Mail ☐ G.O.D.
- 4. Restricted Delivery/Extra fee ☐ YES

102455-121N-45-0

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

January 24, 2005

Certified Mail-Return Receipt No. 6208

LWJ Partnership
P.O. Box 64244
Lubbock, Texas 79464

Re: Pinta "29" Federal #1 Well
S/2SE/4 of Section 29,
T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed for your further handling regarding the captioned well is our Operating Agreement dated January 18, 2005, signature pages and our AFE dated November 1, 2004.

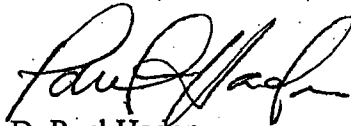
In the event the LWJ Partnership (the Partnership) elects to participate in the subject proposed well, please execute the enclosed Operating Agreement, signature pages and AFEs on behalf of the Partnership. Return the executed signature pages and signed AFEs to me at your earliest convenience. Retain the Operating Agreement for your file.

In the event the Partnership elects not to participate in the proposed well, we would still be interested in acquiring a two (2) year term assignment of interest below the base of the Queen formation in the captioned land on the basis of \$150.00 per net acre wherein Mewbourne would be delivered a 75% net revenue interest, subject to proportionate reduction. However, this offer is available for acceptance until February 3, 2004 at 4:00 P.M. CST which is the same date that the compulsory pooling hearing is to occur at an Examiner's hearing in Santa Fe, New Mexico.

Should you have any questions regarding the above, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gh

L W J PARTNERSHIP - 806-535-8160

DOUG CONE

MARILYN CONE - TRUSTEE

CHERYL ROSS - HIS ASSISTANT

Follow up call this date, left message for
Cheryl to call me. Pst 1/17/05

Follow up call this date, left message for
Cheryl to call me. Pst 1/18/05

SENDER: COMPLETE THIS SECTION

- ☐ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- ☐ Print your name and address on the reverse so that we can return the card to you.
- ☐ Attach this card to the back of the mail piece, or on the front if space permits.

1. Article/Addressed to:

**LWJ Partnership
P.O. Box 64244
Lubbock, Texas 79464**

COMPLETE THIS SECTION ON DELIVERY

A. Signature
Charles R. Rogers
B. Received by (Printed Name)
Charles R. Rogers
C. Date of Delivery
11/12/03
D. Is delivery address different from ZIP+4? ☐ Yes ☒ No
YES, enter delivery address below *USPS*

3. Service type
- ☒ Certified Mail
 - ☐ Registered
 - ☐ Insured Mail
 - ☐ Express Mail
 - ☐ Return Receipt for Merchandise
 - ☐ O.D.B.
4. Restricted Delivery (Extra Fee) ☐ Yes ☒ No

7002 2410 0000 1362 5416

2. Article Number
(Items of uniform service only)

PS Form 3841, August 2001 Domestic Return Receipt

10-235-0211-6-0

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

November 12, 2004

Via Certified Mail-Return Receipt No. 5416

LWJ Partnership
P.O. Box 64244
Lubbock, Texas 79464

Re: Pinta "29" Federal #1 Well
510' FSL & 2130' FEL
Section 29, T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (Mewbourne) as Operator hereby proposes to drill the captioned well at the referenced location to a depth sufficient to evaluate the Bone Spring formation, total estimated depth being 7,600' beneath the surface. The S/2SE/4 of the captioned Section 29 will be dedicated to the well for spacing unit purposes.

Title examination indicates you own an undivided 10% interest in the S/2SE/4 below a depth of 3,350' beneath the surface. Your interest is currently only burdened by a 1/8 royalty interest.


Regarding the above, enclosed for your consideration and execution is a copy of our AFE dated November 1, 2004 (an estimated well cost) for the captioned proposed well in the event you elect to participate in the well to the extent of your leasehold interest in the referenced spacing unit. Should you elect to participate, please sign and return one (1) copy of the enclosed AFE and I will forward you our Operating Agreement for execution.

In the event you elect not to participate in the captioned proposed well, Mewbourne would be interested in acquiring your interest as previously offered, i.e., \$150.00 per acre for a 2 year term providing Mewbourne a 75% net revenue interest. However, this offer is subject to your acceptance within 30 days of the date of this letter.

Should you have any questions regarding the above, please call or write to me at your earliest convenience. Our phone number and address is on the letterhead.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(432) 682-3715
FAX (432) 685-4170

October 27, 2004

LWJ Partnership
P.O. Box 64244
Lubbock, Texas 79464

Re: MOC's Pinta "29" Prospect
S/2SE/4 as to depths below
the base of the Queen formation
Section 29, T18S, R30E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company (MOC) as Operator is interested in drilling one or more wells in the E/2 of the captioned Section 29 to a depth sufficient to evaluate the Bone Spring formation, estimated total depth being 8,500 beneath the surface.

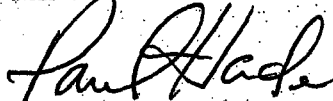
In support of our drilling program, MOC hereby offers to purchase a two (2) year term assignment of operating rights covering your 10% interest under the captioned land and depths on the basis of \$150.00 per net acre wherein MOC would be delivered a 75% net revenue interest, subject to proportionate reduction.

The referenced term assignment would provide for 180 day continuous development at the end of the primary term. Upon expiration of the primary term or continuous development period whichever comes later, MOC would reassign those lands not included within the geographical boundaries of MOC's producing proration units and rights 100' below the total depth drilled in each such proration unit.

Your early response regarding our offer would be greatly appreciated. Please call me at your convenience should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb