

Paul Haden

From: Paul Haden
Sent: Wednesday, July 02, 2014 10:02 AM
To: 'craiglawpc@gmail.com'
Subject: FW: Re: Layla "35"
Attachments: doc07267920140702093811.pdf

Jimmy, see attached recorded copy of a Mineral Deed from Laura Meade to Chasity Garza. Please refer to Tract #2 described therein. This land doesn't comprise 350 acres as it purports. The land described as the SE/4S/2S/2NE/4 should have been described as the SE/4, S/2S/2NE/4. These kind of mistakes are the reason why the Laura Meade interest and others can not be determined as all through the chain of title in this 350 acre tract there were mistakes like this including over conveyances, incorrect spelling of names, etc. However, I'm preparing an Oil & Gas Lease for Chasity to execute. The attached Mineral Deed needs to be corrected.

As to Tract #2 the land should cover : S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4, containing 150 acres, more or less. As to the other lands described in the Mineral Deed, I have no way of telling if those lands are described correctly. As to the Oil & Gas Lease, I'll scan and email it to you and will stick the original in the mail to you for Chasity's execution. One question, is Chasity married or is she single ?? I assume she still lives at 1410 E. Broadway, Brownfield, Tx, 79316. Please confirm.

Paul Haden
Land Department
Mewbourne Oil Company
500 West Texas Ave., Suite 1020
Midland, TX 79701-4279
Office Phone: 432-682-3715
Fax: 432-685-4170
Cell: 432-557-2521

-----Original Message-----

From: midland@mewbourne.com [mailto:midland@mewbourne.com]
Sent: Wednesday, July 02, 2014 10:38 AM
To: Paul Haden
Subject:

TASKalfa 520i
[00:c0:ee:7a:75:8d]

Oil Conservation Division
Case No. _____
Exhibit No. 5

**MARION J. CRAIG III
ATTORNEY AT LAW, L.L.C.**

POST OFFICE BOX 1436
ROSWELL, NM 88202-1436
TELEPHONE: (575) 622-1106
EMAIL: craiglawpc@gmail.com

MARION J. "JIMMY" CRAIG III
ATTORNEY AT LAW

601 W. SECOND STREET, SUITE 8
ROSWELL, NEW MEXICO 88201

June 27, 2014

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

Re: Layla 35B2NC Fee #2H
Layla 35W2OB Fee #3H
Layla 35NC Fee #1H
Layla 35B2MD Fee #3H

Attention: D. Paul Haden

Dear Mr. Hayden:

My client, Chasity Garza has learned that there is scheduled a hearing before the OCD on compulsory pooling regarding the above-referenced wells on July 10, 2014. She only recently learned of this, and has never received notice as required under 19.15.4.12 NMAC.

Ms. Garza was an owner of minerals prior to the date of the applications on the above wells, so therefore should have been provided actual notice by certified mail. This was not done.


While I understand that you may take the position that there is a title issue regarding my client's mineral interests, she still is entitled to notice under the Administrative Code. Failure to provide such notice may result in the hearing being rescheduled to a later date or her having an opportunity to set aside the hearing at a later date.

In order to short cut these problems, my client has authorized me to grant to your client a quit claim lease on the properties involved for a 3/16ths royalty. I note that this is the same as most of leased properties. No bonus would be required.

Please let me know Mewbourne's position on this. If we cannot come to an arrangement, I will notify the OCD that we were not provided proper notice of this hearing.

Sincerely,

MARION J. CRAIG III
ATTORNEY AT LAW, L.L.C.



Marion J. Craig III

Xc: Chasity Garza

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Paul Haden

From: Paul Haden
Sent: Monday, June 30, 2014 9:08 AM
To: 'craiglawpc@gmail.com'
Subject: Re: Layla "35" Pooling Hearings

Mr. Craig , I acknowledge receipt of your letter dated 6-27-2014 regarding the claim of Chasity Garza owning a mineral interest in

Sec 35 , T23S, R28E , Eddy Co . , among other lands. The problem with her ownership as I've previously advised her mother , Laura Meade

is that our title attorney John Nelson for this project was unable to determine the quantum of interest owned by Laura Meade. If Ms.

Garza is willing to execute a "Quit Claim Lease" whatever that is , we would certainly entertain that option. Please prepare it and send

it to me as I'm sure we'd be willing to do that. Or , if you want me to prepare an Oil & Gas Lease for her execution , please let me know.

However , you must understand that upon production of the wells referenced in your letter , her interest , if any , would be placed in

suspense pending a final determination of what her interest is. Let me know what you and Ms. Garza wants to do.

Paul Haden

Land Department

 **Mewbourne Oil Company**

500 West Texas Ave., Suite 1020

Midland, TX 79701-4279

Office Phone: 432-682-3715

Fax: 432-685-4170

Cell: 432-557-2521

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Laura Meade
611 N. Mesa Ave.
Carlsbad, NM 88203

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Ms. Meade:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Laura Meade
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb





Date: May 23, 2014


Simple Certified:

The following is in response to your May 23, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181178. The delivery record shows that this item was delivered on May 23, 2014 at 11:01 am in BELEN, NM 87002. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
Signature	
Initials	

Address of Recipient :

Address	
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Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Pavlos P. Panagopoulos, et al
511 W REINKEN AVE
BELEN, NM 87002
Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Mr. Pavlos P. Panagopoulos,
Panagopoulos Enterprises and
Andreas P. Panagopoulos
511 W. Reinken Ave.
Belen, New Mexico 87002

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

Mr. Pavlos P. Panagopoulos,
Panagopoulos Enterprises and
Andreas P. Panagopoulos
May 20, 2014
Page 2 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mr. Pavlos P. Panagopoulos,
Panagopoulos Enterprises and
Andreas P. Panagopoulos
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



Date: May 23, 2014

Simple Certified:

The following is in response to your May 23, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181550. The delivery record shows that this item was delivered on May 23, 2014 at 12:20 pm in LAS VEGAS, NV 89117. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery section	
Signature	
Initials	X

Address of Recipient :

Address	10008 Ranch Hand Ave
---------	----------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Panagiota P. Panagopoulos
Magdalene P. Panagopoulos and
10008 Ranch Hand Ave
Las Vegas, NV 89117
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Magdalene P. Panagopoulos and
Panagiota P. Panagopoulos
10008 Ranch Hand Ave.
Las Vegas, NV 89117

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Ladies:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

Magdalene P. Panagopoulos and
Panagiota P. Panagopoulos
May 20, 2014
Page 2 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

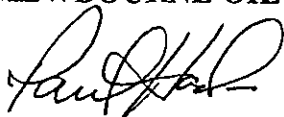
Magdalene P. Panagopoulos and
Panagiota P. Panagopoulos
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb




UNITED STATES
POSTAL SERVICE

Date: May 24, 2014

Simple Certified:

The following is in response to your May 24, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181154. The delivery record shows that this item was delivered on May 23, 2014 at 10:08 am in ALBUQUERQUE, NM 87123. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	
Address	

Address of Recipient :

Address	11910 Central
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Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

William E. Gregory
11910 CENTRAL AVE SE STE B
ALBUQUERQUE, NM 87123
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Mr. William E. Gregory
11910 Central Ave. SE, Suite B
Albuquerque, NM 87123

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Gregory:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mr. William E. Gregory
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



Date: May 22, 2014

Simple Certified:

The following is in response to your May 22, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181239. The delivery record shows that this item was delivered on May 22, 2014 at 11:48 am in CARLSBAD, NM 88220. The scanned image of the recipient information is provided below.

Signature of Recipient :

re
sd
•
Dine Fresquez

Address of Recipient :

dry
ess
2318 Pine

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Wells Fargo Bank, N.A.
2318 W PIERCE ST
CARLSBAD, NM 88220
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Wells Fargo Bank, N.A.
2318 W. Pierce St.
Carlsbad, NM 88220

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Wells Fargo Bank, N.A.
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



UNITED STATES
POSTAL SERVICE

Date: May 22, 2014

Simple Certified:

The following is in response to your May 22, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181253. The delivery record shows that this item was delivered on May 21, 2014 at 9:19 am in LUBBOCK, TX 79410. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
Signature	<i>Deborah Kemp</i>
Initials	<i>D. Kemp</i>

Address of Recipient :

Address	<i>2112 Indiana</i>
---------	---------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Neville Manning
2112 INDIANA AVE
LUBBOCK, TX 79410
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Mr. Neville Manning
2112 Indiana
Lubbock, TX 79410

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Manning:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

Mr. Neville Manning
May 20, 2014
Page 2 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mr. Neville Manning
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



Date: May 22, 2014

Simple Certified:

The following is in response to your May 22, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181406. The delivery record shows that this item was delivered on May 22, 2014 at 10:03 am in LURAY, KS 67649. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
Signature	<i>Willis A Paschal</i>
Address	<i>Willis A Paschal</i>

Address of Recipient :

Address	<i>Luray KS</i>
---------	-----------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Willis A. Paschal Trust No. 1
PO Box 98
Luray, KS 67649
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Willis A. Paschal Trust No. 1
P.O. Box 98
Luray, KS 67649

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Ladies and Gentlemen:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

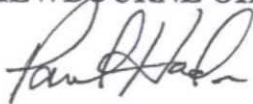
Willis A. Paschal Trust No. 1
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Paul

FROM

MEWBOURNE OIL COMPANY
500 WEST TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

SHIP TO

Mary Jo Dickerson
P.O. Box 642
Glenpool, OK 74033

☐ Unclaimed
☐ No Such Person
☐ Insufficient Address

RECEIVED
JUN 10 1984
OKLAHOMA CITY
FBI

NIXIE 740333087-1N 06/03/14

RETURN TO SENDER
ATTEMPTED - NOT KNOWN
UNABLE TO FORWARD
RETURN TO SENDER

|||||

|||||

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Mary Jo Dickerson
P.O. Box 642
Glenpool, OK 74033

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Ms. Dickerson:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mary Jo Dickerson
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



Date: May 22, 2014

Simple Certified:

The following is in response to your May 22, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181345. The delivery record shows that this item was delivered on May 22, 2014 at 2:30 pm in CARLSBAD, NM 88220. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
Signature	<i>Clarence Ervin</i>
Address	

Address of Recipient :

Address	4016 JONES
---------	------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Estate of Mary I. Ervin
Clarence Ervin and the
4016 JONES ST
CARLSBAD, NM 88220
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Clarence Ervin and the
Estate of Mary I. Ervin
4016 Jones St.
Carlsbad, NM 88220

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Ervin:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Clarence Ervin and the
Estate of Mary I. Ervin
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



Date: May 22, 2014

Simple Certified:

The following is in response to your May 22, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181277. The delivery record shows that this item was delivered on May 22, 2014 at 12:12 pm in ARTESIA, NM 88211. The scanned image of the recipient information is provided below.

Signature of Recipient :

Sophy Brisen
Sophy Brisen

Address of Recipient :

Box 1330

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Kevin Hanratty
PO BOX 1330
ARTESIA, NM 88211
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Mr. Kevin Hanratty
P.O. Box 1330
Artesia, NM 88211

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Hanratty:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mr. Kevin Hanratty
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



Date: May 22, 2014

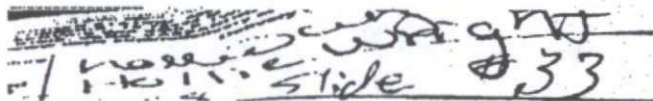
Simple Certified:

The following is in response to your May 22, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181260. The delivery record shows that this item was delivered on May 21, 2014 at 10:31 am in LUBBOCK, TX 79424. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Nolan Greak
8008 SLIDE RD STE 33
LUBBOCK, TX 79424
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Mr. Nolan Greak
8008 Slide Road, Suite #33
Lubbock, TX 79424

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Greak:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

Mr. Nolan Greak
May 20, 2014
Page 2 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mr. Nolan Greak
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

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CERTIFIED MAIL

Mewbourne Oil Company
Paul Haden
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Layla 35

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Estate of Stan Gregory
Kathy Gregory
608 Lakeside
CARLSBAD NM 88220-5207

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506

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

Estate of Stan Gregory
608 Lakeside Dr.
Carlsbad, NM 88220
Attn: Kathy Gregory

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mrs. Gregory:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Estate of Stan Gregory
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb



UNITED STATES
POSTAL SERVICE.

Date: May 22, 2014

Simple Certified:

The following is in response to your May 22, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005181499. The delivery record shows that this item was delivered on May 21, 2014 at 1:16 pm in LITTLEFIELD, TX 79339. The scanned image of the recipient information is provided below.

Signature of Recipient :

J. E. JEWARDS
JEWARDS

Address of Recipient :

PO BOX 1390

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

First Federal Savings and Loan Association
PO Box 1390
Littlefield, TX 79339
Reference #: Layla 35

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 20, 2014

Via Certified Mail

First Federal Savings and Loan Association
P.O. Box 1390
Littlefield, Texas 79339

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

First Federal Savings and
Loan Association
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

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

May 20, 2014

Via Certified Mail

Mr. James W. Klipstine and
Klipstine & Hanratty
1601 N. Turner, Suite 400
Hobbs, NM 88240

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mr. James W. Klipstine and
Klipstine & Hanratty
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

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

May 20, 2014

Via Certified Mail

Bonnie R. Gregory
and Irma J. Gregory
14 Cork St.
Alva, FL 33920

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Ladies:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

Bonnie R. Gregory
and Irma J. Gregory
May 20, 2014
Page 2 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Bonnie R. Gregory
and Irma J. Gregory
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

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

May 20, 2014

Via Certified Mail

Mr. Thomas W. Gregory
1705 Black Gold St., SE
Albuquerque, NM 87123

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Gregory:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

Mr. Thomas W. Gregory
May 20, 2014
Page 2 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

Mr. Thomas W. Gregory
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

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

May 20, 2014

Via Certified Mail

LBD, a Limited Partnership
P.O. Box 686
Hobbs, New Mexico 88240

Re: Layla 35 B2NC Fee #2H
185' FSL & 1670' FWL (SL)
330' FNL & 1980' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 W2OB Fee #3H
185' FSL & 2435' FEL (SL)
330' FNL & 2150' FEL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 NC #1H
150' FSL & 1800' FWL (SL)
330' FNL & 1800' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Layla 35 B2MD Fee #3H
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned four wells.

The Layla 35 B2NC Fee #2H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet in the Bone Spring formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point as referenced above in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2W/2 of the captioned Section 35 being dedicated to it as its nonstandard proration unit and Project Area.

The Layla 35 NC #1H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 6,200 feet beneath the surface in the Brushy Canyon interval in the Delaware formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil production. The proposed well will be drilled to a true measured depth of approximately 10,650 feet with the E/2W/2 of the captioned Section 35 being dedicated to this well as its nonstandard proration unit and Project Area.

The Layla 35 W2OB Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the middle interval of the Wolfcamp formation and drilled horizontally therefrom from a southerly direction to a northerly direction to the terminus point in the lateral as referenced above for oil and gas production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with the E/2 of the captioned Section 35 being dedicated to this well as its proration unit and Project Area.

The Layla 35 B2MD Fee #3H Well is proposed to be drilled at the above referenced surface location (SL) and drilled horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). This proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. This proposed well will be drilled to a true measured depth of approximately 12,900 feet with this well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

As previously advised you, you may have a claim to a 12.6/350 unleased mineral interest in the S/2S/2NE/4, SE/4, E/2SW/4, W/2NW/4SW/4, SE/4NW/4SW/4, S/2NE/4NW/4SW/4, E/2SW/4SW/4, SW/4SW/4SW/4 and N/2NW/4SW/4SW/4 containing 350 acres, more or less being 12.6 net unleased acres. As previously advised you in previous well proposals and previous force pooling hearings, the ownership of this unleased mineral ownerships cannot be determined at this point due to the confused state of the chain of title associated with this interest due to over conveyances, faulty land descriptions and quantum of interest being conveyed in the chain of title. Furthermore, the Beeman family and their attorneys engaged in a series of conveyances, lawsuits and stipulations of interest which is described in our May 16, 2011 Drilling Opinion of Title covered a span of almost fifteen years which completely confused and obscured the ownership of this 12.6/350 mineral interest.

Regarding the above, owners who have a possible claim to the above referenced unleased mineral interest will be subject to a compulsory Pooling Hearing for each of the above wells at an Examiner's Hearing in Santa Fe, New Mexico on July 10, 2014 at the New Mexico Oil Conservation Division's offices. You will be notified of such hearing.

Regarding the above well proposals, enclosed for your information is a copy of our Authorization For Expenditure (AFE) for each proposed well.

LBD, a Limited Partnership
May 20, 2014
Page 3 of 3

Layla 35 B2NC Fee #2H
Layla 35 NC #1H
Layla 35 W2OB Fee #3H
Layla 35 B2MD Fee #3H

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Paul Haden

From: Paul Haden
Sent: Tuesday, June 03, 2014 8:45 AM
To: 'Engel, Greg'
Subject: RE: RE: MOC's Layla 35 MD Fee #2H and Layla 35 B2 MD Fee #3H Wells

OK. How about the #3H Well referenced below ? As set out in my letter dated May21st , we offered to purchase an Oil & Gas Lease from
The Bishop Whipple School. Interested ???

Paul Haden
Land Department

 **Mewbourne Oil Company**

500 West Texas Ave., Suite 1020
Midland, TX 79701-4279
Office Phone: 432-682-3715
Fax: 432-685-4170
Cell: 432-557-2521

From: Engel, Greg [<mailto:Greg.Engel@s-sm.org>]
Sent: Tuesday, June 03, 2014 8:28 AM
To: Paul Haden
Subject: RE: RE: MOC's Layla 35 MD Fee #2H and Layla 35 B2 MD Fee #3H Wells

We don't wish to participate in the #2 well.

Gregory T. Engel Chief Financial Officer Shattuck St. Mary's School 507-333-1690 www.s-sm.org

-----Original Message----- From: Paul Haden [phaden@Mewbourne.com] Sent: Monday, June 02, 2014 3:35 PM To: Engel, Greg Subject: FW: RE: MOC's Layla 35 MD Fee #2H and Layla 35 B2 MD Fee #3H Wells

Mr. Engel , we are in receipt of the signed AFEs for the captioned wells. Please see attachments regarding same. As to the Layla 35 MD Fee #2H Well , you were furnished a copy of Pooling Order R-13831 whereby The Bishop Whipple School's interest was force Pooled. The Bishop School was given the opportunity under the terms of the Pooling Order to participate in the Layla 35 MD Fee #2H Well. If The Bishop School elected to participate in such well they had to sign and return the AFE which they did but they also had to send us The Bishop School's check for \$2,308.65 estimated well cost which was set forth on the AFE as to their 0.03906% interest in the well. If The Bishop Whipple School actually does want to participate in this proposed well , please send me The Bishop School's check for \$2,308.64 made payable to Mewbourne Oil Company. Regarding the Layla 35 B2MD Fee #3H well I'll send you an Operating Agreement for that well if The Bishop Whipple School does in fact want to participate in that well. Please confirm the The Bishop School does in fact want to participate in that well. As set out in my letter dated May 21st , we'd be agreeable to leasing The Bishop Whipple School's interest for that well. Please respond at your earliest convenience. Also , my phone number is referenced below.

Paul Haden

From: Paul Haden
Sent: Wednesday, May 28, 2014 3:54 PM
To: 'billii@mcgowanpc.com'
Subject: FW:
Attachments: doc07052120140528151259.pdf

Bill , see attachment regarding Laura Meade's possible claim to a 12.6/350 unleased mineral interest. I'll also send you a copy of the Pooling Orders regarding this interest. To date we've drilled 5 horizontal wells. The Layla "35" #2H was drilled in the E/2W/2, completed in the Avalon Bone Spring. The Layla 35 MD #1 H was drilled in the Brushy Canyon in the Delaware formation as a horizontal oil well in the W/2W/2. The Layla 35 OB #1H was drilled in the W/2E/2 as a horizontal Bone Spring oil well. The Layla 35 PA #1H was drilled in the E/2E/2 as a horizontal Bone Spring oil well. The latest well , the Layla 35 MD Fee #2H well was drilled in the W/2 as a Wolfcamp horizontal gas well. I just sent Laura a copy of the Pooling Order for that well on May 27th. Let me know if you have any further questions about her ownership. As I've told the other owners who may have a claim to the referenced interest , we will continue to have the 1/8th royalty interest attributable to the force pooled interest placed in suspense until such time as all of the owners that may have a claim to this interest have proved their ownership either by judicial determination as in a Quit Title Suite or by virtue of a Stipulation of Interest. As the suspended funds accumulate for each well , it may be worth for the owners to clear their title.

Paul Haden
Land Department
Mewbourne Oil Company
500 West Texas Ave., Suite 1020
Midland, TX 79701-4279
Office Phone: 432-682-3715
Fax: 432-685-4170
Cell: 432-557-2521

-----Original Message-----

From: midland@mewbourne.com [<mailto:midland@mewbourne.com>]
Sent: Wednesday, May 28, 2014 4:14 PM
To: Paul Haden
Subject:

TASKalfa 520i
[00:c0:ee:7a:75:8d]



UNITED STATES
POSTAL SERVICE.

Date: May 24, 2014

Simple Certified:

The following is in response to your May 24, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005192181. The delivery record shows that this item was delivered on May 24, 2014 at 9:17 am in FARIBAULT, MN 55021. The scanned image of the recipient information is provided below:

Signature of Recipient :

Father Henry L. Doyle
FATHER HENRY L. DOYLE

Address of Recipient :

1000 STURMWAY AVENUE

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Greg Engel
The Bishop Whipple Schools
PO Box 218
Faribault, MN 55021
Reference #: Layla 35 B2MD 3H
Item ID: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 21, 2014

Via Certified Mail

The Bishop Whipple Schools
P.O. Box 218
Faribault, MN 55021
Attn: Mr. Greg Engel

Re: Layla 35 B2 MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company as Operator proposes to drill the referenced well at the referenced surface location (SL) and drill same horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of 12,900 feet with the well being dedicated to the W/2W/2 as its nonstandard 160 acre proration unit and Project Area.

In reference to the above, title examination indicates The Bishop Whipple Schools own an unleased 1/40 mineral interest (0.125 net mineral acres) in the S/2NW/4SW/4SW/4 of the captioned Section 35 which contains 5.0 gross mineral acres, more or less. Accordingly, The Bishop Whipple Schools own a 0.07812% interest in the proposed well. Enclosed for your further handling in this regard is our Authorization For Expenditure (AFE) for the captioned proposed well. Please have this AFE signed and returned to me at your earliest convenience should The Bishop Whipple Schools elect to participate in the proposed well.

In the event The Bishop Whipple Schools elect not to participate in the proposed well, Mewbourne hereby offers to purchase an Oil and Gas Lease covering this interest which would provide for a 3/16th royalty interest for a two year primary term on the basis of \$2,000 per net acre which equates to \$250.00. This is the highest price per acre that we've paid for leases in this area. If you are agreeable to these terms, please acknowledge such agreement by signing and returning this letter to me at your earliest convenience.

The Bishop Whipple Schools
Layla 35 B2MD Fee #3H Well
May 21, 2014
Page 2 of 2

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

The above offer is accepted this _____ day of May, 2014.

THE BISHOP WHIPPLE SCHOOLS

By: _____

Tax I.D.# _____

Mewbourne Oil Company
Paul Haden
500 West Texas Ave
Ste 1020
MIDLAND TX 79701-4279
Layla 35 MD 24

US POSTAGE AND FEES PAID
FIRST CLASS
May 22 2014
Mailed from ZIP 79701
2 oz First Class Mail
Flat Rate
CID: 56133



endicla.com

071S00534813

USPS CERTIFIED MAIL

9414 8106 9994 5005 2126 29

Juan G. Ruiz
c/o Mika A. Padilla
1225 N THORNE AVE
FRESNO CA 93728-15

NIXIE

937282002-1N

06/03/14

RETURN TO SENDER
REFUSED
UNABLE TO FORWARD
RETURN TO SENDER



MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 21, 2014

Via Certified Mail

Mr. Juan G. Ruiz
c/o Mika A. Padilla
1225 N. Thorne Ave.
Fresno, CA 93728-1534

Re: Layla 35 B2 MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Ruiz:

Mewbourne Oil Company as Operator proposes to drill the referenced well at the referenced surface location (SL) and drill same horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of 12,900 feet with the well being dedicated to the W/2W/2 as its nonstandard 160 acre proration unit and Project Area.

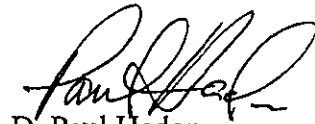
In reference to the above, title examination indicates you own a unleased 1/12 mineral interest (0.41667 net mineral acres) in the S/2NW/4SW/4 of the captioned Section 35 which contains 5.0 gross mineral acres, more or less. Accordingly, you own a 0.26041% interest in the proposed well. Enclosed for your further handling in this regard is our Authorization For Expenditure (AFE) for the captioned proposed well. Please have this AFE signed and returned to me at your earliest convenience should you elect to participate in the proposed well.

In the event you elect not to participate in the proposed well, Mewbourne hereby offers to purchase an Oil and Gas Lease covering this interest which would provide for a 3/16th royalty interest for a two year primary term on the basis of \$2,000 per net acre which equates to \$833.34. This is the highest price per acre that we've paid for leases in this area. If you are agreeable to these terms, please acknowledge such agreement by signing and returning this letter to me at your earliest convenience.

Mr. Juan G. Ruiz
Layla 35 B2MD Fee #3H Well
May 21, 2014
Page 2 of 2

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

The above offer is accepted this _____ day of May, 2014.

JUAN G. RUIZ

By: _____

S.S.# _____

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 21, 2014

Via Certified Mail

Mr. William C. Ruiz
P.O. Box 161
Sultana, CA 93666

Re: Layla 35 B2 MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Ruiz:

Mewbourne Oil Company as Operator proposes to drill the referenced well at the referenced surface location (SL) and drill same horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of 12,900 feet with the well being dedicated to the W/2W/2 as its nonstandard 160 acre proration unit and Project Area.

In reference to the above, title examination indicates you own a unleased 1/12 mineral interest (0.41667 net mineral acres) in the S/2NW/4SW/4SW/4 of the captioned Section 35 which contains 5.0 gross mineral acres, more or less. Accordingly, you own a 0.26041% interest in the proposed well. Enclosed for your further handling in this regard is our Authorization For Expenditure (AFE) for the captioned proposed well. Please have this AFE signed and returned to me at your earliest convenience should you elect to participate in the proposed well.

In the event you elect not to participate in the proposed well, Mewbourne hereby offers to purchase an Oil and Gas Lease covering this interest which would provide for a 3/16th royalty interest for a two year primary term on the basis of \$2,000 per net acre which equates to \$833.34. This is the highest price per acre that we've paid for leases in this area. If you are agreeable to these terms, please acknowledge such agreement by signing and returning this letter to me at your earliest convenience.

Mr. William C. Ruiz
Layla 35 B2MD Fee #3H Well
May 21, 2014
Page 2 of 2

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

The above offer is accepted this _____ day of May, 2014.

WILLIAM C. RUIZ

By: _____

S.S.# _____

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

May 21, 2014

Via Certified Mail

The Boys Club of America
1275 Peachtree St., NE
Atlanta, GA 30309
Attn: Anand Mehta

Re: Layla 35 B2 MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company as Operator proposes to drill the referenced well at the referenced surface location (SL) and drill same horizontally therefrom to a terminus point referenced above as the bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of 12,900 feet with the well being dedicated to the W/2W/2 as its nonstandard 160 acre proration unit and Project Area.

In reference to the above, title examination indicates The Boys Club of America owns an unleased 1/40 mineral interest (0.125 net mineral acres) in the S/2NW/4SW/4 of the captioned Section 35 which contains 5.0 gross mineral acres, more or less. Accordingly, The Boys Club of America owns a 0.07812% interest in the proposed well. Enclosed for your further handling in this regard is our Authorization For Expenditure (AFE) for the captioned proposed well. Please have this AFE signed and returned to me at your earliest convenience should The Boys Club of America elect to participate in the proposed well.

In the event The Boys Club of America elects not to participate in the proposed well, Mewbourne hereby offers to purchase an Oil and Gas Lease covering this interest which would provide for a 3/16th royalty interest for a two year primary term on the basis of \$2,000 per net acre which equates to \$250.00. This is the highest price per acre that we've paid for leases in this area. If you are agreeable to these terms, please acknowledge such agreement by signing and returning this letter to me at your earliest convenience.

The Boys Club of America
Layla 35 B2MD Fee #3H Well
May 21, 2014
Page 2 of 2

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

The above offer is accepted this _____ day of May, 2014.

THE BOYS CLUB OF AMERICA

By: _____

Tax I.D.# _____




Date: June 21, 2014

Simple Certified:

The following is in response to your June 21, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445720. The delivery record shows that this item was delivered on June 20, 2014 at 2:23 pm in WASILLA, AK 99654. The scanned image of the recipient information is provided below.

Signature of Recipient :

Signature	
Name	Curtis Enderud

Address of Recipient :

Address	1000 N. Wes Glenn Cir #1
---------	--------------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Curtis Duaine Enderud
1000 N WESGLENN CIR APT 1
WASILLA, AK 99654
Reference #: Layla 35 B2MD 3H
Item ID: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Mr. Curtis Duaine Enderud
1000 N. Westglenn Ct. #1 *CIRCLE, APT. 1*
Wasilla, AK 99654

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Mr. Curtis Duaine Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read 'D. Paul Haden', is written over the company name.

D. Paul Haden
Senior Landman

DPH/gb

June 24, 2014

Mr. D. Paul Haden
Senior Landman
Mewbourne Oil Company
500 West Texas, Suite 1020
Midland, Texas 79701

Dear Paul:

I am writing in regard to your letter of June 17, 2014, and our phone conversation on June 20th re: Track 5, S35, T23S, R28E, Eddy County, New Mexico.

Enclosed are the death certificates of Carl Olf (misspelled), Cora, and Roy Martin Enderud. I am also enclosing my birth certificate so you know who I am. These copies need not be returned. Since there were no birth certificates issued when my elders were born, names seem to transpose with every transcript.

You asked for names and family history so I hope this is helpful.

The children of the owner of Track 5, C.O. (Carl "Charlie" Oluf/Olaf/Olf) Enderud who survived into adulthood were: Cora, Alma, Christian Oluf (C.O.), Roy Martin, Ernest Ludvig, and Frank Albert. All deceased as of 1984. Carl O., Cora, and Roy's wills were all executed and probated by Don Stallings (Caldwell, KS) and can be found in the Sumner County Courthouse, Wellington, KS, 67152. Don also executed the will for Albert but it was probated by Marsh Doctor and in the Courthouse as well.

I can assure you that Grandpa Enderud never sold this property nor gave it to Uncle Oluf - that was the purpose of setting up the Trust - so he would have a steady income. When the Trust ended, his children led by Opal Sample forced the sale by Sheriff's Auction of the "home place" which didn't bring in much money and exceedingly angered and alienated their aunt and uncles.

Alma Larson had Albert William (deceased) and he in turn had Carolyn Louise and David Albert. Perhaps one of them can provide the death certificates for Aunt Alma and Little Albert.

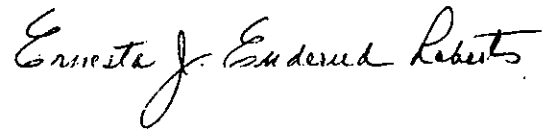
You have the names of Uncle Oluf's children. Roy, Bill, Clarence (Jim), and Ruby are deceased. I have names of all his grandchildren except maybe Ruby's but none of the great grandchildren.

All property owned by Grandpa at the time of his death was shared equally by Cora, Alma, Oluf, Roy, Ernest (my father died when I was 9 weeks old and his share passed to me), and Albert. Roy and Albert had no children. Cora remained single and as the matriarch of the family, all business decisions and transactions were conducted by her with Uncle Roy's help while he was alive. Uncle Albert took over

paying the NM property taxes until his death. Carolyn, David, and I as beneficiaries of his will agreed David should continue to pay the taxes for us.

Please keep me informed as to what is progressing with this property. I wish you Good Luck straightening out this matter.

Sincerely,

A handwritten signature in cursive script, reading "Ernesta J. Enderud Roberts". The signature is written in dark ink and is positioned above the typed name and address.

Ernesta Jane Enderud Roberts
500 East Riverside Drive #23
Truth or Consequences, NM
87901-2955
575-894-0454 (unlisted)

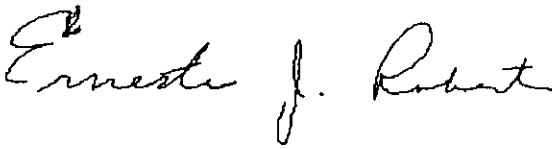
encl

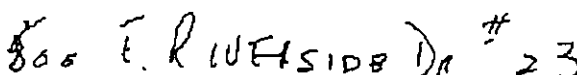


Date: June 20, 2014

Simple Certified:

The following is in response to your June 20, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445744. The delivery record shows that this item was delivered on June 20, 2014 at 10:43 am in TRUTH OR CONSEQUENCES, NM 87901. The scanned image of the recipient information is provided below.

Signature of Recipient : 
ERNESTA ROBERTS

Address of Recipient : 

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Ernesta Jane Enderud Roberts
500 E RIVERSIDE DR TRLR 23
TRUTH OR CONSEQUENCES, NM 87901
Reference #: Layla 35 B2MD 3H
Item ID: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Ernesta Jane Enderud Roberts
500 E. Riverside Dr. #23
Truth or Consequences, NM 87901

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mrs. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Ernesta Jane Enderud Roberts
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "D. Paul Haden", written over the company name.

D. Paul Haden
Senior Landman

DPH/gb



Date: June 23, 2014

Simple Certified:

The following is in response to your June 23, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445782. The delivery record shows that this item was delivered on June 23, 2014 at 3:15 pm in OMAHA, NE 68152. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery section	
Signature	Linda Nodes
Address	Linda Nodes

Address of Recipient :

Address	6759 Newport Ave #36
---------	----------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Opal Sample
6759 NEWPORT AVE APT 36
OMAHA, NE 68152
Reference #: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Opal Sample
6759 Newport Ave. #36
Omaha, NE 68152

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Ms. Sample:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Opal Sample
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in dark ink, appearing to read "D. Paul Haden", with a stylized flourish at the end.

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

June 17, 2014

Via Certified Mail

Mr. Michael William Enderud
201 74th Street SW
Everett, WA 98203

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Mr. Michael William Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "D. Paul Haden", written in a cursive style.

D. Paul Haden
Senior Landman

DPH/gb



Date: June 20, 2014

Simple Certified:

The following is in response to your June 20, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005446055. The delivery record shows that this item was delivered on June 20, 2014 at 9:29 am in NEWKIRK, OK 74647. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink that reads "Louis E. Enderud".

Address of Recipient :

A handwritten address in black ink that reads "300 N N Ave".

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Louis E. Enderud
300 N N Ave
Newkirk, OK 74647
Reference #: Layla 35 B2MD 3H
Item ID: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Mr. Louis E. Enderud
300 North N
Newkirk, OK 74647

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Mr. Louis E. Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in dark ink, appearing to read 'D. Paul Haden', with a stylized flourish at the end.

D. Paul Haden
Senior Landman

DPH/gb



Date: June 20, 2014

Simple Certified:

The following is in response to your June 20, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445850. The delivery record shows that this item was delivered on June 19, 2014 at 3:35 pm in PONCA CITY, OK 74604. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery section	
Signature	<i>Lloyd Enderud</i>
Printed name	Lloyd Enderud

Address of Recipient :

Delivery address	1615 Shirlee Ave. 74604
------------------	----------------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Lloyd E. and Freida Enderud
1615 Shirlee Ave
Ponca City, OK 74604
Reference #: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Lloyd E. and Freida Enderud
1615 Shirlee Ave.
Ponca City, OK 74604

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. & Mrs. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Lloyd E. and Freida Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "D. Paul Haden", is written over the company name.

D. Paul Haden
Senior Landman

DPH/gb



UNITED STATES
POSTAL SERVICE.

Date: June 23, 2014

Simple Certified:

The following is in response to your June 23, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445898. The delivery record shows that this item was delivered on June 23, 2014 at 1:19 pm in PORT ORCHARD, WA 98366. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section
Signature of Recipient: Jimmy D. Enderud
Name: JIMMY D. ENDERUD

Address of Recipient :

Address: 2460 Cedar

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Jimmy David Enderud
2460 Cedar St E
Port Orchard, WA 98366
Reference #: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Mr. Jimmy David Enderud
2460 Cedar St. E
Port Orchard, WA 98366-7136

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Mr. Jimmy David Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "D. Paul Haden", with a stylized flourish at the end.

D. Paul Haden
Senior Landman

DPH/gb

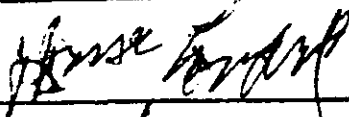



Date: June 21, 2014

Simple Certified:

The following is in response to your June 21, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445942. The delivery record shows that this item was delivered on June 20, 2014 at 4:09 pm in HEMET, CA 92543. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery section	
re	
i	

Address of Recipient :

y s	260 N. LYON-164
--------	-----------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Jesse V. Enderud
260 N LYON AVE SPC 164
HEMET, CA 92543
Reference #: Layla 35 B2MD 3H
Item ID: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Mr. Jesse V. Enderud
260 N. Lyon Ave., Space 164
Hemet, CA 92543

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Mr. Jesse V. Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "D. Paul Haden", written in a cursive style.

D. Paul Haden
Senior Landman

DPH/gb



Date: June 20, 2014

Simple Certified:

The following is in response to your June 20, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445966. The delivery record shows that this item was delivered on June 19, 2014 at 11:27 am in LOS LUNAS, NM 87031. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
Signature	<i>Ellen I. Enderud</i>
Address	

Address of Recipient :

Address	<i>612 Calle Don Demetrio</i>
---------	-------------------------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Ellen I. Enderud
612 CALLE DON DEMETRIO NE
LOS LUNAS, NM 87031
Reference #: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Ellen I. Enderud
612 Calle Don Demetrio NE
Las Lunas, NM 87031

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Ms. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Ellen I. Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "Paul Haden", with a stylized flourish at the end.

D. Paul Haden
Senior Landman

DPH/gb



Date: June 21, 2014

Simple Certified:

The following is in response to your June 21, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445973. The delivery record shows that this item was delivered on June 20, 2014 at 12:45 pm in LAKE STEVENS, WA 98258. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section
Signature of Recipient : *Donald Eric Enderud*

Address of Recipient :

Address of Recipient : 14827 62ND PL NE 98258

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Donald Eric Enderud
14827 62ND PL NE
LAKE STEVENS, WA 98258
Reference #: Layla 35 B2MD 3H
Item ID: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Mr. Donald Eric Enderud
14827 62nd Pine
Lake Stevens, NM 98258

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Mr. Donald Eric Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "D. Paul Haden", written over a horizontal line.

D. Paul Haden
Senior Landman

DPH/gb

June 30, 2014

D. Paul Haden
Senior Landman
Mewbourne Oil Company
500 W. Texas, Suite 1020
Midland, Texas 79701

Dear Mr. Haden,

As per your instructions I am composing the history of the New Mexico property "copy of the 1909 trustees deed" inclosed.

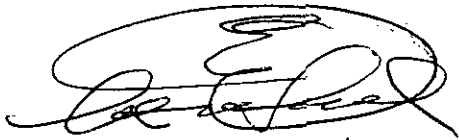
My Grandfather C.O. Enderud "Carl O. Enderud" purchased this property "5 acres, plus a city lot in Malaga, N.M." The city lot has never been leased or drilled upon. My grandfather died in 1945 and the property went to my father C.O. Enderud "Christian Olaf Enderud", my aunt Alma Larsen, aunt Cora Enderud, uncles Roy Martin Enderud, Frank Albert Enderud and my first cousin Ernesta Jane Enderud Roberts, who inherited my deceased Uncle Ernest Enderud's share. All are dead except Ernesta Jane. My Grandfather's estate was probated in Sumner County, Wellington, Kansas. Grandpa's estate was written so that it could not be probated until 25 years after his death. Why it was written that way is unknown.

My father C.O. Enderud "Christian Olaf Enderud" died in 1969 and his estate could not be probated at that time because the 25 year restriction on Grandpa's estate on Grandpa's estate, so Grandpa's had to be probated first. My father's will was then probated in Cowley County, Winfield, Kansas in 1970. The New Mexico property went to his surviving children.

Opal Enderud Sample
Lewis Emil Enderud
Ray Olaf Enderud (now deceased)
William Carl Enderud (now deceased)
Clarence Oscar Enderud (now deceased)
Ruby Marie Enderud Morrical (now deceased)
Jesse Vernon Enderud
Lloyd Emery Enderud
Alfred Norman Enderud

I hope this history will clear up any confusion. I am available for any assistance you may need.

Respectfully,

A handwritten signature in black ink, appearing to read 'Al Enderud', enclosed within a large, loopy oval shape.

Alfred N. "Al" Enderud
1812 Yale Ave
Ponca City, Oklahoma 74604
(580) 716-6526

P.S. Please send me the blank mineral deeds we talked about. Also, as stated before, we would consider selling our mineral interests in this property.

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

July 2, 2014

Mr. Alfred N. Enderud
1812 Yale
Ponca City, OK 74604

Re: T23S, R28E
Section 35: N/2SW/4SW/4NW/4
Eddy County, New Mexico

Dear Al:

Enclosed for your further handling is a Mineral Deed for Opal's execution. Also enclosed is a copy of same.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

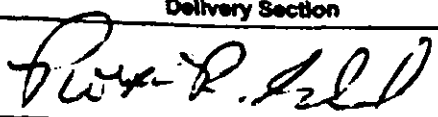


Date: June 20, 2014

Simple Certified:

The following is in response to your June 20, 2014 request for delivery information on your Certified Mail™/RRE item number 9414810699945005445997. The delivery record shows that this item was delivered on June 19, 2014 at 11:24 am in PONCA CITY, OK 74604. The scanned image of the recipient information is provided below.

Signature of Recipient :

Delivery Section	
Signature	
Printed Name	ROGER R. ENDERUD

Address of Recipient :

Address	1812 Yale Ave
---------	---------------

Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service

Alfred Norman Enderud
1812 YALE AVE
PONCA CITY, OK 74604
Reference #: Layla 35 B2MD 3H

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

June 17, 2014

Via Certified Mail

Mr. Alfred Norman Enderud
1812 Yale
Ponca City, OK 74604

Re: Layla 35 B2MD Fee #3H Well
135' FSL & 470' FWL (SL)
330' FNL & 660' FWL (BHL)
Section 35, T23S, R28E
Eddy County, New Mexico

Dear Mr. Enderud:

Mewbourne Oil Company as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) and drill same to a terminus point at the referenced bottom hole location (BHL). The proposed well will be drilled to a true vertical depth of approximately 8,300 feet beneath the surface in the Bone Spring formation and drilled horizontally from a southerly direction to a northerly direction in the Second Bone Spring Sand interval in the Bone Spring formation for oil production. The proposed well will be drilled to a true measured depth of approximately 12,900 feet with the well being dedicated to the W/2W/2 of the captioned Section 35 as its nonstandard oil proration unit and Project Area.

In reference to the above, the N/2SW/4SW/4NW/4 of the captioned Section 35 containing 5 acres, more or less is apparently unleased. You may have a claim to a portion of this unleased interest. Ownership of this interest is uncertain. Regarding same, enclosed for your information is a copy of the pertinent pages of our Drilling Opinion of Title dated May 16, 2011 as prepared by the Atwood, Malone, Turner & Sabin law firm which describes the title problems associated with this interest. The 5 acre tract of land referenced above is set out as Tract No. 5. We would be interested in acquiring an Oil and Gas Lease from you covering the referenced unleased interest, however we are unable to determine your ownership, if any in this interest. Please provide us your proof of ownership if you are able to.

In reference to the above, all unleased owners are afforded the opportunity to participate as to their unleased mineral interest in the above proposed well. Accordingly, enclosed for your information is a copy of our Authorization For Expenditure (AFE) which is an estimated drilling and completion cost for the above proposed well. If you can prove your ownership and you elect to participate in the proposed well, please sign and return the enclosed AFE at your earliest

Mr. Alfred Norman Enderud
Layla 35 B2MD Fee #3H Well
June 17, 2014
Page 2 of 2

convenience. Otherwise, this undetermined interest will be force pooled at an Examiner's Hearing in Santa Fe, New Mexico in the offices of the New Mexico Oil Conservation Division July 10, 2014. You will be notified of this hearing.

Should you have any questions regarding the above, please call me at (432) 682-3715 or my email address is phaden@mewbourne.com.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "Paul Haden", written in a cursive style.

D. Paul Haden
Senior Landman

DPH/gb