

MEWBOURNE OIL COMPANY

P.O. Box 7698
Tyler, Texas 75711
(903) 561-2900
FAX (903) 561-8909

March 5, 2015

[UPS Express]

Bureau of Land Management
Carlsbad Field Office
620 E. Greene Street
Carlsbad, New Mexico 88220-6292

Attention: Mr. Ed Fernandez

Oil Conservation Division
Case No. 11
Exhibit No. 1

Re: Communitization Agreement
Leo "15" DA Federal Com. #1H
N/2, E/2 SW/4 and SE/4
Section 15-18S-30E
Eddy County, New Mexico

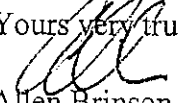
Gentlemen:

Mewbourne Oil Company, as Operator, has successfully drilled and completed the Leo "15" DA Federal Com. #1H as a horizontal oil well from the Bone Spring formation in a 560 acre communitized unit comprised of the N/2, E/2 ~~S~~W/4 and SE/4 of Section 15. First sale of oil and gas from the well occurred on August 23, 2014.

Enclosed for approval by the Bureau of Land Management are two (2) originals together with two (2) copies of the Communitization Agreement dated May 15, 2014, prepared by Mewbourne Oil Company communitizing Federal Lease NMNM 27278 (N/2 NW/4, SW/4 NW/4 and SE/4 NE/4 – 160 acres), Federal Lease NMNM 27277 (N/2 NE/4, SE/4 NW/4, SW/4 NE/4, E/2 SW/4 and W/2 SE/4 – 320 acres) and Federal Lease NMNM 121476 (E/2 SE/4 – 80 acres) into a 560 acre communitized unit as to oil and associated casinghead gas producible from the Bone Spring formation.

Also enclosed is a copy of the Application to Drill and Completion Report.

Upon approval by the Bureau of Land Management, please furnish the approvals to my attention at the address shown above.

Yours very truly,

Allen Brinson
Landman

JAB/js
cc/-Mr. Paul Haden - Midland

Paul Haden

From: Paul Haden
Sent: Wednesday, November 12, 2014 9:33 AM
To: Bradley Bishop
Cc: Larry Cunningham; Drew Robison
Subject: Re: Leo "15" DA Fed Com #1H Well

Bradley , as you will recall we had a meeting with the BLM regarding doing a Super Com Agreement that would cover the N/2 , E/2SW/4 and SE/4 of Sec 15 that will enable us the flexibility for surface locations so we wouldn't have to secure Approval for Nonstandard Locations which the BLM agreed to let us do . We have since amended our previous Com Agreement that covered the N/2N/2 Sec 15 to include the referenced 560 acres. We needed Hobbs to amend the previous acreage dedication plat to include this 560 acres in lieu of 160 acres. I can't find where that has been done yet. Please follow up on that to get the acreage dedication plat amended and send me a copy of same. We can't get our revised Com Agrmnt approved without the amended plat. We are currently examining title for Division Order purposes so we need this done asap. I'd appreciate it , thanks Bradley. Let me know if you have any questions.

Paul Haden

Land Department



Mowbourne 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

September 4, 2014

COG Operating LLC and
Concho Oil & Gas LLC
One Concho Center
600 W. Illinois
Midland, TX 79701
Attn: Mollie McAuliffe

Re: Lea "15" DA Federal Com #1H
N/2, E/2SW/4 and SE/4
Section 15, T18S, R30E
Eddy County, New Mexico

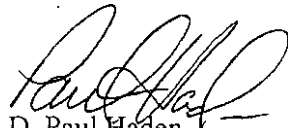
Dear Mollie:

Previously the respective parties executed a Communitization Agreement dated May 15, 2014 which covered the N/2N/2 of the captioned Section 15 for Bone Spring oil production (see copy enclosed). I had a meeting with the BLM yesterday regarding our proposal to communitize the captioned 560 acre tract of land in lieu of the previous 160 acre tract of land. The BLM was okay with that which will allow us to form a 560 acre Nonstandard Unit for our horizontal wells to be drilled under the captioned land. By doing this we will not have to get approval for nonstandard locations to be drilled from the NW/4NW/4 of the captioned Section 15. The NW/4NW/4 of the captioned Section 15 is the only area on the surface that we can drill our laterals from as advised by the BLM due to Prairie Chicken and Potash concerns.

In reference to the above I've requested the BLM to hold off approving the referenced Communization Agreement covering the N/2N/2 of the captioned Section 15 pending the execution of the enclosed proposed Communitization Agreement. In this regard, please have the enclosed Communitization Agreement and extra signature and acknowledgment pages executed and return only the executed extra signature and acknowledgment pages. Retain the executed Communitization Agreement for your file.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/tgm

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

September 4, 2014

Charmar, LLC
4815 Vista Del Oso Court, NE
Albuquerque, NM 87109
Attn: Vikki Smith

Re: Leg "15" DA Federal Com #1H
N/2, E/2SW/4 and SE/4
Section 15, T18S, R30E
Eddy County, New Mexico

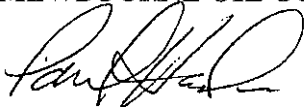
Dear Vikki:

Previously the respective parties executed a Communitization Agreement dated May 15, 2014 which covered the N/2N/2 of the captioned Section 15 for Bone Spring oil production (see copy enclosed). I had a meeting with the BLM yesterday regarding our proposal to communitize the captioned 560 acre tract of land in lieu of the previous 160 acre tract of land. The BLM was okay with that which will allow us to form a 560 acre Nonstandard Unit for our horizontal wells to be drilled under the captioned land. By doing this we will not have to get approval for nonstandard locations to be drilled from the NW/4NW/4 of the captioned Section 15. The NW/4NW/4 of the captioned Section 15 is the only area on the surface that we can drill our laterals from as advised by the BLM due to Prairie Chicken and Potash concerns.

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Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/tgm

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

September 4, 2014

ConocoPhillips Company
P.O. Box 2197
Houston, TX 77252-2197
Attn: Mr. Gianni Esparza

Re: Leas "15" DA Federal Com #1H
N/2, E/2SW/4 and SE/4
Section 15, T18S, R30E
Eddy County, New Mexico

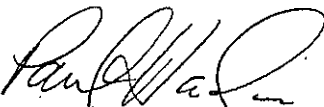
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Sincerely yours,

MEWBOURNE OIL COMPANY


D. Paul Haden
Senior Landman

DPH/tgm



Re:Tract Nomination

Paul Haden to: cody_layton, gloria_baca

Cc: Larry Cunningham

05/14/2013 02:28 PM

Cody and Gloria , we've tried to get the W/2SW/4 of Section 15, T18S, R30E , Eddy Co. NM placed in the Competitive Oil & Gas Lease Sale. This was former Lse. # NM-95638 that expired 8/31/05 and has never been placed up for sale since due to some habitat/wildlife/environmental concerns.

Why can't this acreage be offered for lease with a No Surface Occupancy Stipulation ??? We could drill horizontal wells under this acreage at an off lease surface location. Excluding the referenced acreage to be placed up for competitive lease is causing waste and compromises correlative rights for us and other leasehold owners in Section 15.

We would very much appreciate the BLM to reconsider to place the referenced land up for sale in the next available Competitive Lease Sale with the lease having a No Surface Occupancy Stipulation. Please call or email me with any information you might have regarding the status of placing the referenced land up for sale. Thanks for your help in connection with this matter.

Paul Haden
Land Department
Mewbourne Oil Company
500 W. Texas Ave., Ste. 1020
Midland, Texas 79701
(432) 682-3715
(432) 685-4170 FAX



Re: Lease Nomination
Paul Haden to: cody_layton
Cc: Larry Cunningham

02/19/2013 02:57 PM

Good afternoon Cody. We had previously discussed placing the W/2SW/4 of Section 15, T18S, R30E, Eddy Co, NM up for sale in the next available Fed. Competitive Lease Sale. This acreage is apparently in an environmentally sensitive area. Your group was doing a study to determine if it could be put up in the lease sale. If it could, we would be agreeable for the BLM to attach a No Surface Occupancy Stip to the lease if it could be placed up for sale. Mewbourne owns leasehold within the Section and wants to drill some horizontal Bone Spring oil wells. I would appreciate it if you could check on the status of the BLM's study regarding this acreage. My last conversation with you was you thought the study would be complete by mid - January. Thanks for your help.

Paul Haden
Land Department
Mewbourne Oil Company
500 W. Texas Ave., Ste. 1020
Midland, Texas 79701
(432) 682-3715
(432) 685-4170 FAX



Re: Tract Nomination - W/2SW/4 Sec 15,T18S, R30E

Doug Schutz

to:

Paul Haden

12/12/2012 09:36 AM

Hide Details

From: Doug Schutz <schutzdoug@gmail.com>

To: Paul Haden <phaden@mewbourne.com>

History: This message has been replied to.

Paul, the name I was given was Cody Layton 575-234-5959

Doug

On Wed, Dec 12, 2012 at 8:07 AM, Paul Haden <phaden@mewbourne.com> wrote:

Doug, who was the contact person with BLM in Carlsbad that I should talk to regarding the captioned land ?? I can't seem to find his ph #. I previously called this guy and left a message but he never returned my call. What is his name and ph # ??? Thanks.

Paul Haden
Land Department
Mewbourne Oil Company
500 W. Texas Ave., Ste. 1020
Midland, Texas 79701
(432) 682-3715
(432) 685-4170 FAX

--
Schutz Abstract Company, Inc.
P.O. Box 973, Santa Fe, NM 87504
Office: (505) 982-0130
Fax: (505) 820-1366



Re: Tract Nomination
Paul Haden to: gbaca

11/30/2012 04:31 PM

Good afternoon Gloria. I need your help and advice. For our behalf , Doug Schutz nominated the W/2SW/4 of Section 15 , T18S, R30E , Eddy Co. to be placed in the next available competitive Federal Lease Sale. The former lease for this tract was Federal Lease # NM 95638 that expired 8/31/05 and has not been available for lease since such time. Mewbourne Oil Company owns some leasehold in Section 15 and is interested in drilling horizontal Bone Spring wells. Apparently there are some wildlife and/or archeological concerns regarding the leasing of this acreage. Could it be possible to attach a NSO Stipulation to this tract so it could be placed up for competitive bid ??? Is there someone you could recommend in the BLM that I could talk to or could you help me with this ??? I'd appreciate it. I'll be out of town next Monday and Tues.
(Dec 3rd and 4th) I'll call you after I get back to discuss. Thanks Gloria. Have a nice weekend.

Paul Haden
Land Department
Mewbourne Oil Company
500 W. Texas Ave., Ste. 1020
Midland, Texas 79701
(432) 682-3715
(432) 685-4170 FAX

HEA
Habitat Evaluation

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

October 30, 2012

Via Email schutzdoug@gmail.com and
First Class Mail

Schutz Abstract Company
P.O. Box 973
Santa Fe, New Mexico 87504
Attn: Doug Schutz

Re: Tract Nomination
W/2SW/4 of Section 15,
T18S, R30E
Eddy County, New Mexico

Dear Doug:

For Mewbourne's behalf, please nominate the captioned land to be placed in the next available Federal Lease Sale. The previous lease NM 95638 expired August 31, 2005. Please keep Mewbourne's name out of the nomination process. Thanks Doug.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Paul Haden/Mewbourne
02/02/2011 09:48 AM

To james_rutley@blm.gov
cc
bcc

Subject Re: Suspended Fed. Lse. #NM-016808

Mr. Rutley , the captioned lease covering the E/2NE/4 , SW/4NE/4 , SE/4NW/4 , SE/4SW/4 and SW/4SE/4 of Sec. 22 , T18S, R30E , Eddy Co. dated 2-1-55 was suspended 9-1-59 due to potash. If Mewbourne Oil Co. were to locate a surface location off this lease and drill horizontally to test the Second Bone Spring Sand interval in the Bone Spring formation underneath the potash , could this lease be reinstated ? If so , for how long ??

On another note , Fed. Lse. #NM-95638 covering the W/2SW/4 Sec. 15 terminated 8-31-05 and hasn't been offered for competitive lease bidding since such time. Is there a reason for this ?? Could it be nominated and be put up in the next available lease sale ??

I'll call you later today to discuss the above. Thanks.

Paul Haden
Land Department
Mewbourne Oil Company
500 W. Texas Ave., Ste. 1020
Midland, Texas 79701
(432) 682-3715
(432) 685-4170 FAX

James Rutley (575) 234-5904

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

September 8, 2015

Via Certified Mail

Charmar, LLC
4815 Vista Del Oso Ct., NE
Albuquerque, NM 87109
Attn: Vikki H. Smith

Re: Application for NSL
Leo 15 B2DN Fed. Com #1H
630' FNL & 370' FWL (SL)
330' FSL & 990' FEL (BHL)
Section 25, T18S, R30E
Eddy County, New Mexico

Dear Vikki:

Mewbourne Oil Company as Operator has filed an Application For Administrative Approval for a Non-Standard Location for the captioned well. The proposed well will be drilled from the referenced surface location to a terminus point referenced as the bottom hole location for horizontal Bone Spring oil production. The producing interval in the well bore of the proposed well will be closer to the unleased BLM acreage in the W/2SW/4 of the captioned Section 15 than what is allowed for the Loco Hills Bone Spring, East Oil Pool. For your information attached is a copy of Page 1 and a copy of the Acreage Dedication Plat for the proposed well. You can see that the proposed well bore is close to the unleased BLM acreage in the W/2SW/4 of the captioned Section 15. The BLM has refused to offer this 80 acre tract for competitive public bid due to surface wildlife habitat concerns.

In reference to the above, Mewbourne Oil Company is requesting a Waiver of Objection from your firm regarding the proposed Non-Standard Location. Please indicate your firm's agreement to Mewbourne's requested waiver of objection by signing and returning this letter to me at your earliest convenience as a offset owner and/or offset operator.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

Oil Conservation Division
Case No. _____
Exhibit No. 5

Charmar, LLC
Leo 15 B2DN Fed. Com #1H
September 8, 2015

The undersigned hereby waives objection to the above proposed Non-Standard Location this
13th day of September, 2015.

CHARMAR, LLC

By: Vikki H. Smith
Vikki H. Smith
Managing Member

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

RECEIVED
SEP 09 2015
LAND ADMIN

September 8, 2015

Via Certified Mail

COG Operating LLC and
Concho Oil & Gas LLC
600 W. Illinois
Midland, TX 79701
Attn: Rita A. Buress

Re: Application for NSL
Leo 15 B2DN Fed. Com #1H
630' FNL & 370' FWL (SL)
330' FSL & 990' FEL (BHL)
Section 25, T18S, R30E
Eddy County, New Mexico


Dear Rita:

Mewbourne Oil Company as Operator has filed an Application For Administrative Approval for a Non-Standard Location for the captioned well. The proposed well will be drilled from the referenced surface location to a terminus point referenced as the bottom hole location for horizontal Bone Spring oil production. The producing interval in the well bore of the proposed well will be closer to the unleased BLM acreage in the W/2SW/4 of the captioned Section 15 than what is allowed for the Loco Hills Bone Spring, East Oil Pool. For your information attached is a copy of Page 1 and a copy of the Acreage Dedication Plat for the proposed well. You can see that the proposed well bore is close to the unleased BLM acreage in the W/2SW/4 of the captioned Section 15. The BLM has refused to offer this 80 acre tract for competitive public bid due to surface wildlife habitat concerns.

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Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

COG Operating LLC and
Concho Oil & Gas LLC
Leo 15 B2DN Fed. Com #1H
September 8, 2015

The undersigned hereby waives objection to the above proposed Non-Standard Location this
11th day of September, 2015.

**COG OPERATING LLC and
CONCHO OIL & GAS LLC**

By: _____

Rita A. Burress
Land Manager

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

September 8, 2015

Via Certified Mail

ConocoPhillips Company
P.O. Box 2197
Houston, TX 77252
Attn: Mr. Gianni Esparza

Re: Application for NSL
Leo 15 B2DN Fed. Com #1H
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Eddy County, New Mexico

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Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

ConocoPhillips Company
Leo 15 B2DN Fed. Com #1H
September 8, 2015

The undersigned hereby waives objection to the above proposed Non-Standard Location this
22nd day of September, 2015.

CONOCOPHILLIPS COMPANY

By:  *by CST*

Thomas J. Atkins
Attorney-in-Fact

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

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

RECEIVED
SEP 09 2015
LAND ADMIN

September 8, 2015

Via Certified Mail

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Midland, TX 79701
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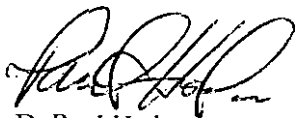
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MEWBOURNE OIL COMPANY



D. Paul Haden
Senior Landman

DPH/gb

COG Operating LLC and
Concho Oil & Gas LLC
Leo 15 B2DN Fed. Com #1H
September 8, 2015

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11th day of September, 2015.

**COG OPERATING LLC and
CONCHO OIL & GAS LLC**

By: 

Rita A. Burress
Land Manager