

**Summary of Communications**  
**Loving Townsite "21" W2PA Fee #1H**  
**E/2 of Section 21, T23S, R28E**  
**Eddy County, New Mexico**

**Sent a Lease offer letter to all parties on January 20, 2017 via certified mail**

A majority of the parties did not return their signed offer letters

**We Received Signed Lease offer Letters from the following parties**

2-1 2017 Pete V Martinez and Barbary Mendoza Joint Tenants

2 13-2017 Juan Rios and Maria Rios Husband and Wife

2 16 2017 Frank A Rodriguez

2 16 2017 Cruz Ornelas and Sandra Ornelas Husband and Wife

**Sent a well proposal and AFE to all parties on February 17, 2017 via certified mail**

We have not heard back from any party regarding their desire to participate in the proposed well

**Further Communications**

**Wells Fargo Bank, NA, Successor of interest to United New Mexico Bank, Carlsbad**

1-30-2017 Spoke with Birgit Roesink Miller with Wells Fargo s Oil Gas and Mineral Management Department in Denver Colorado over the phone We discussed their ownership of the minerals and their merger history with United New Mexico Bank Carlsbad She asked for further information so I sent her an email with limited pages of our Drilling Title Opinion attached and a summary of their ownership

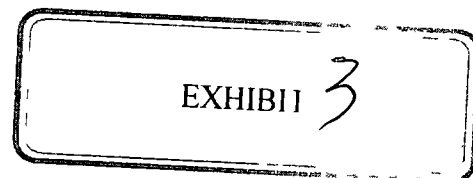
2 11-2017 Received email from John Clark who is an attorney for Wells Fargo We discussed the ownership and he advised that they would prefer to sell the mineral interest rather than lease We have been in the process of purchasing this unleased mineral interest since this date

**Pete Martinez**

2 22-2017 Received a phone call from Pete We discussed our development plans and the leasing process

**Juan Rios**

2 9 2017 Received a phone call from Juan We discussed our development plans and the leasing process



# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

January 20 2017

Antonio E Gonzales  
P O Box 658  
Loving New Mexico 88256

Re MOC s Loving '21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Antonio

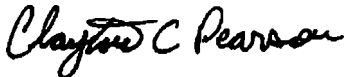
Mewbourne Oil Company ('Mewbourne') as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.20455 net acres in Lot 12 Block 75 of the Beeman Subdivision in the town of Loving NM

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$153.41 (0.20455 Acres x \$750 Per Net Acre = \$153.41) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future, so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

By \_\_\_\_\_  
Antonio E Gonzales

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20 2017

Alicia M Gutierrez  
197 SE 1<sup>st</sup> Street  
Loving New Mexico 88256

Re MOC s Loving "21" Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Alicia

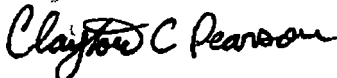
Mewbourne Oil Company ("Mewbourne"), as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production. Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21. According to our records you own 0.21006 net acres in Lot 5 Block 77 of the Beeman Subdivision in the town of Loving NM.

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest. The bonus payment will equal \$157.55 (0.21006 Acres x \$750 Per Net Acre = \$157.55). This offer is available for your immediate acceptance and approval of title.

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W-9 Form and returning the documents using the enclosed postage paid envelope. Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above. We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter.

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

Signed \_\_\_\_\_  
Alicia M Gutierrez

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20 2017

Mr & Mrs Angel Rodriguez  
P O Box 307  
Loving New Mexico 88256

Re MOC's Loving ' 21 ' Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Mr & Mrs Rodriguez

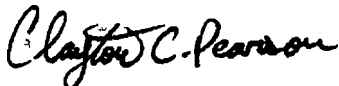
Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.24426 net acres in a 190 foot by 56 foot tract on the West boundary of the SW/4SE/4 of Section 21 the Northwest corner of which is 388.2 feet South of the Northwest corner thereof

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$183.20 (0.24426 Acres x \$750 Per Net Acre = \$183.20) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

ANGEL RODRIGUEZ & ANNA RODRIGUEZ, HUSBAND & WIFE

Signed \_\_\_\_\_  
Angel Rodriguez

Signed \_\_\_\_\_  
Anna Rodriguez

# MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20 2017

Barbara J Mendoza  
2119 Ross Street  
Carlsbad New Mexico 88220

Re MOC's Loving '21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Barbara


Mewbourne Oil Company ( Mewbourne ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you and Pete V Martinez as Joint Tenants own 0.21120 net acres in Lots 6 & 8 of the Snyder Addition to the town of Loving, NM If ownership has changed please advise us of this fact

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$158.40 (0.21120 Acres x \$750 Per Net Acre = \$158.40) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY

  
Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

By \_\_\_\_\_  
Barbara J Mendoza, as Joint Tenant with Pete V Martinez

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682-3715  
Fax (432) 685 4170

January 20 2017

Mr & Mrs Cruz Ornelas  
P O Box 122  
Loving, New Mexico 88256

Re MOC s Loving "21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Mr & Mrs Ornelas

Mewbourne Oil Company ( 'Mewbourne' ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.4780 net acres in a 110-foot by 190 foot tract in the SW/4SE/4 of Section 21 whose Northwest corner is 388.2 feet South and 56 feet East of the Northwest corner thereof

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$359.85 (0.47980 Acres x \$750 Per Net Acre = \$359.85) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely,

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

**CRUZ ORNELAS & SANDRA ORNELAS, HUSBAND & WIFE**

Signed \_\_\_\_\_  
**Cruz Ornelas**

Signed \_\_\_\_\_  
**Sandra Ornelas**

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20 2017

Mr & Mrs Felipe Lara  
P O Box 12  
Loving New Mexico 88256

Re MOC s Loving '21 Prospect  
E/2 of Section 21 T23S, R28E  
Eddy County New Mexico

Dear Mr & Mrs Lara

Mewbourne Oil Company ('Mewbourne') as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.31535 net acres in a 166 foot by 82.75-foot tract on the West boundary of the SW/4SE/4 of Section 21 whose Northwest corner is 736.45 feet South of the Northwest corner thereof

Regarding the above, Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$236.51 (0.31535 Acres x \$750 Per Net Acre = \$236.51) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future, so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

FELIPE LARA & MARIA LARA, HUSBAND & WIFE

Signed \_\_\_\_\_  
Felipe Lara

Signed \_\_\_\_\_  
Maria Lara

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland, Texas 79701  
Phone (432) 682-3715  
Fax (432) 685 4170

January 20 2017

Frank A Rodriguez  
P O Box 1266  
Loving New Mexico 88256

Re MOC s Loving 21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Frank

Mewbourne Oil Company ( Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records, you own an undivided 1/2 mineral interest (0.20007 net acres) in a 166 foot by 105 foot tract on the West boundary line of Section 21, whose Northwest corner is 630.95 feet south of the Northwest corner thereof

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$150.05 (0.20007 Acres x \$750 Per Net Acre = \$150.05) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms, please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

Signed \_\_\_\_\_  
Frank A Rodriguez, dealing in sole & separate property



# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

January 20 2017

Mr & Mrs Guadalupe Franco  
112 N 6<sup>th</sup> Street  
Loving New Mexico 88256

Re MOC s Loving "21" Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Mr & Mrs Franco

Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.20455 net acres in lot 11 Block 75 of the Beeman Subdivision of the Town of Loving NM

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$153.41 (0.20455 Acres x \$750 Per Net Acre = \$153.41) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms, please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future, so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

**GUADALUPE FRANCO & MARY FRANCO, HUSBAND & WIFE**

Signed \_\_\_\_\_  
**Guadalupe Franco**

Signed \_\_\_\_\_  
**Mary Franco**

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685-4170

January 20, 2017

Mr & Mrs Juan Rios

P O Box 81

Loving New Mexico 88256

Re MOC s Loving '21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Mr & Mrs Rios

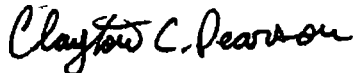
Mewbourne Oil Company ( 'Mewbourne ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.21120 net acres in Lots 15 & 17 of the Snyder Addition to the town of Loving NM

Regarding the above, Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$158.40 (0.21120 Acres x \$750 Per Net Acre = \$158.40) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future, so your prompt attention and reply is greatly appreciated with this matter

Sincerely,

MEWBOURNE OIL COMPANY



Clayton Pearson

Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

JUAN RIOS & MARIA RIOS, HUSBAND & WIFE

Signed \_\_\_\_\_  
Juan Rios

Signed \_\_\_\_\_  
Maria Rios

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

January 20 2017

Jude Andrew Oslund

P O Box 658

Loving New Mexico 88256

Re MOC s Loving 21 ' Prospect  
E/2 of Section 21 T23S, R28E  
Eddy County New Mexico

Dear Jude


Mewbourne Oil Company ( 'Mewbourne ) as Operator, has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.20455 net acres in Lot 13 Block 75 of the Beeman Subdivision in the town of Loving NM

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$153.41 (0.20455 Acres x \$750 Per Net Acre = \$153.41) This offer is available for your immediate acceptance and approval of title

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Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson

Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

Signed \_\_\_\_\_

Jude Andrew Oslund

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20, 2017

Martha V Rodriguez  
P O Box 146  
Loving New Mexico 88256

Re MOC s Loving "21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Martha

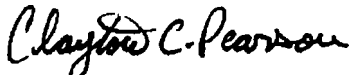
Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production. Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21. According to our records you own 0.20102 net acres in a 166 foot by 52.75 foot tract on the West boundary line of Section 21 whose Northwest corner is 578.2 feet south of the Northwest corner thereof.

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest. The bonus payment will equal \$150.77 (0.20102 Acres x \$750 Per Net Acre = \$150.77). This offer is available for your immediate acceptance and approval of title.

If you are agreeable to the above terms, please acknowledge such acceptance by signing this letter and completing the enclosed W-9 Form and returning the documents using the enclosed postage paid envelope. Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above. We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter.

Sincerely,

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

Signed \_\_\_\_\_  
Martha V Rodriguez

# MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

January 20 2017

Mr & Mrs Maura Granado  
P O Box 487  
Loving New Mexico 88256

Re MOC s Loving 21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County, New Mexico

Dear Mr & Mrs Granado


Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.20455 net acres in Lot 16 Block 75 of the Beeman Subdivision of the Town of Loving NM If ownership of these minerals has changed please inform me of that fact

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$153.41 (0.20455 Acres x \$750 Per Net Acre = \$153.41) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

MAURA GRANADO & RITA GRANADO, HUSBAND & WIFE

Signed \_\_\_\_\_  
Maura Granado

Signed \_\_\_\_\_  
Rita Granado

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

January 20 2017

Mr & Mrs Melvin L Balderrama  
2606 Garden Street  
Carlsbad New Mexico 88220

Re MOC's Loving "21" Prospect  
E/2 of Section 21 T23S, R28E  
Eddy County New Mexico

Dear Mr & Mrs Balderrama

Mewbourne Oil Company ("Mewbourne") as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.10560 net acres in Lot 10 of the Snyder Addition to the town of Loving NM

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$79.20 (0.10560 Acres x \$750 Per Net Acre = \$79.20) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W-9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

MELVIN L. BALDERRAMA AND OLIDIA Q. BALDERRAMA, HUSBAND & WIFE

Signed \_\_\_\_\_  
Melvin L. Balderrama

Signed \_\_\_\_\_  
Olidia Q. Balderrama

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

January 20 2017

Olga C Rodriguez  
502 S Lake Street  
Carlsbad New Mexico 88220

Re MOC s Loving "21" Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Olga

Mewbourne Oil Company ( 'Mewbourne ' ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own an undivided 1/2 mineral interest (0.20007 net acres) in a 166 foot by 105 foot tract on the West boundary line of Section 21 whose Northwest corner is 630.95 feet south of the Northwest corner thereof

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$150.05 (0.20007 Acres x \$750 Per Net Acre = \$150.05) This offer is available for your immediate acceptance and approval of title

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Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

Signed \_\_\_\_\_  
Olga C Rodriguez, dealing in sole & separate property

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20 2017

Pete V Martinez  
7818 Fallen Oak Lane  
Texas City Texas 77591

Re MOC s Loving "21" Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Pete

Mewbourne Oil Company ( 'Mewbourne ' ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you and Barbara J Mendoza, as Joint Tenants own 0.21120 net acres in Lots 6 & 8 of the Snyder Addition to the town of Loving, NM If ownership has changed please advise us of this fact

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$158.40 (0.21120 Acres x \$750 Per Net Acre = \$158.40) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

By \_\_\_\_\_  
Pete V Martinez, as Joint Tenant with Barbara J Mendoza



# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

January 20 2017

Ray Gilmore

P O Box 658

Loving New Mexico 88256

Re MOC s Loving 21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County, New Mexico

Dear Ray

Mewbourne Oil Company ( Mewbourne ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.22383 net acres in Lot 2 of the Beeman Subdivision of the town of Loving NM

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$167.87 (0.22383 Acres x \$750 Per Net Acre = \$167.87) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

Signed \_\_\_\_\_  
Ray Gilmore

# MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20 2017

Mr & Mrs Roman A Gonzalez  
4735 Country Club Drive  
Midland Texas 79703

Re MOC s Loving ' 21 ' Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Mr & Mrs Gonzalez

Mewbourne Oil Company ( 'Mewbourne ) as Operator, has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records, you as husband and wife and as Joint Tenants own 0.22383 net acres in Lot 1 Block 78 of the Beeman Subdivision of the town of Loving NM

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$167.87 (0.22383 Acres x \$750 Per Net Acre = \$167.87) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January 2017

ROMAN A GONZALEZ AND CHERI R GONZALEZ,  
HUSBAND & WIFE, & AS JOINT TENANTS

Signed \_\_\_\_\_  
Angel Rodriguez

Signed \_\_\_\_\_  
Anna Rodriguez

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20 2017

Traders of Carlsbad Inc  
508 S Mesa Street  
Carlsbad New Mexico 88220

Re MOC's Loving "21 Prospect  
E/2 of Section 21 T23S, R28E  
Eddy County New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ('Mewbourne'), as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production. Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21. According to our records, you own 0.20455 net acres in Lot 15 Block 75 of the Beeman Subdivision in the town of Loving, NM.

Regarding the above, Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest. The bonus payment will equal \$153.41 (0.20455 Acres x \$750 Per Net Acre = \$153.41). This offer is available for your immediate acceptance and approval of title.

If you are agreeable to the above terms, please acknowledge such acceptance by signing this letter and completing the enclosed W-9 Form and returning the documents using the enclosed postage paid envelope. Upon receipt of same, I will forward you an Oil and Gas Lease for execution with a bonus check as described above. We plan to drill a well in the near future, so your prompt attention and reply is greatly appreciated with this matter.

Sincerely,

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

TRADERS OF CARLSBAD, INC

Signed \_\_\_\_\_  
As (Title) \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

January 20 2017

Traders of Carlsbad Inc  
815 W Mermod Street  
Carlsbad New Mexico 88220

Re MOC s Loving ' 21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County, New Mexico

Ladies and Gentlemen

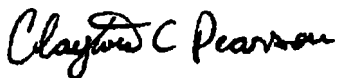
Mewbourne Oil Company ( ' Mewbourne ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0 20455 net acres in Lot 15 Block 75 of the Beeman Subdivision in the town of Loving NM

Regarding the above, Mewbourne hereby offers \$750 00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$153 41 (0 20455 Acres x \$750 Per Net Acre = \$153 41) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely,

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

TRADERS OF CARLSBAD, INC

Signed \_\_\_\_\_  
As (Title) \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682-3715  
Fax (432) 685-4170

January 20 2017

Trinidad Armendariz  
P O Box 465  
Loving New Mexico 88256

Re MOC s Loving "21 Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Trinidad

Mewbourne Oil Company ( Mewbourne ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records, you own 0.42241 net acres in Lots 7, 9, 11 and 13 of the Snyder Addition to the town of Loving NM

Regarding the above, Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$316.81 (0.42241 Acres x \$750 Per Net Acre = \$316.81) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

Signed \_\_\_\_\_  
Trinidad Armendariz, as sole and separate property

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 20, 2017

Ysabel M Calderon  
212 S 1<sup>st</sup> Street  
Artesia New Mexico 88210 2112

Re MOC s Loving 21 ' Prospect  
E/2 of Section 21 T23S R28E  
Eddy County New Mexico

Dear Ysabel

Mewbourne Oil Company ( 'Mewbourne ) as Operator has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that you own some unleased minerals in a town lot located in the SW/4SE/4 of the captioned Section 21 According to our records you own 0.21120 net acres in Lots 12 & 14 of the Snyder Addition to the town of Loving NM

Regarding the above Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$158.40 (0.21120 Acres x \$750 Per Net Acre = \$158.40) This offer is available for your immediate acceptance and approval of title

If you are agreeable to the above terms please acknowledge such acceptance by signing this letter and completing the enclosed W 9 Form and returning the documents using the enclosed postage paid envelope Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future so your prompt attention and reply is greatly appreciated with this matter

Sincerely

MEWBOURNE OIL COMPANY



Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

Signed \_\_\_\_\_  
Ysabel M Calderon

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

January 23 2017

*Via Email Birgit Roesink-Miller@wellsfargo.com*  
*And Certified Mail*

Wells Fargo Bank, N A  
1740 Broadway, C7300-48B  
Denver CO 80274  
Attn Bugit Roesink-Miller / Oil, Gas & Mineral Management

Re MOC s Loving "21" Prospect  
E/2 of Section 21, T23S R28E  
Eddy County, New Mexico

Ladies & Gentlemen

Mewbourne Oil Company ("Mewbourne"), as Operator, has plans to drill multiple horizontal wells under the captioned lands for Wolfcamp oil and gas production Eddy County records indicate that Wells Fargo Bank, NA, successor in interest to United New Mexico Bank of Carlsbad, own some unleased minerals in town lots located in the SW/4SE/4 of the captioned Section 21 According to our records, you own 0.42011 net acres in Lots 1 & 3, Block 77 of the Beeman Subdivision of the Town of Loving NM

Regarding the above, Mewbourne hereby offers \$750.00 per net acre as to those lands for a three (3) year paid up Oil and Gas Lease with such lease providing for a 3/16ths royalty interest The bonus payment will equal \$315.08 (0.42011 Acres x \$750 Per Net Acre = \$315.08) This offer is available for your immediate acceptance and approval of title

As requested, I have enclosed the limited pages of our Drilling Title Opinion dated January 19, 2017 that shows the interest in question We will need to verify the chain of title from United New Mexico Bank of Carlsbad into Wells Fargo Bank, N A and appreciate any help you may be able to provide regarding merger and re-organization documentation

If you are agreeable to the above terms, please acknowledge such acceptance by signing this letter and completing the enclosed W-9 Form and returning the documents to my attention Upon receipt of same I will forward you an Oil and Gas Lease for execution with a bonus check as described above We plan to drill a well in the near future, so your prompt attention and reply is greatly appreciated with this matter

Wells Fargo Bank NA  
Offer to Lease  
Loving 21 Prospect  
E/2 Section 21 23S 28E

Should you have any questions or like to discuss anything in greater detail, please feel free to call me at (432) 682 3715 or email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com)

Sincerely

**MEWBOURNE OIL COMPANY**

  
Clayton Pearson  
Landman

The undersigned accepts the above referenced terms this \_\_\_\_\_ day of January, 2017

**WELLS FARGO BANK, N A , SUCCESSOR IN INTEREST  
TO UNITED NEW MEXICO BANK OF CARLSBAD**

Signed \_\_\_\_\_

As (Title) \_\_\_\_\_



## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

February 17, 2017

### Via Certified Mail

Mr & Mrs Angel Rodriguez

P O Box 307

Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite 21" W2PA Fee #1H Well  
Sec 28-23S-28E 220 FNL & 450 FEL (SL)  
Sec 21 23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0 24426 net acres in a 190-foot by 56-foot tract on the West boundary of the SW/4SE/4 of Section 21, the Northwest corner of which is 388 2 feet South of the Northwest corner thereof. Accordingly, you would own a 0 07633% working interest in the proposed WIU.

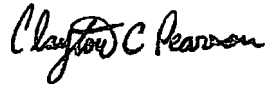
In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715  
Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive style with a large, stylized "C" at the beginning.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### Via Certified Mail

Antonio E Gonzales  
P O Box 658  
Loving New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330 FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320.00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0.20455 net acres in Lot 12, Block 75 of the Beeman Subdivision in the town of Loving, NM. Accordingly, you would own a 0.06392% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information,

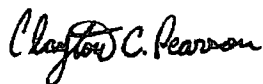
Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

and consideration, the overhead rates for the proposed well will be \$7,500 00 for drilling months and \$750 00 for producing months

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive style with a large, stylized 'C' at the beginning.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

February 17, 2017

### Via Certified Mail

Mr & Mrs Felipe Lara  
P O Box 12  
Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320.00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0.31535 net acres in a 166-foot by 82.75 foot tract on the West boundary of the SW/4SE/4 of Section 21, whose Northwest corner is 736.45 feet South of the Northwest corner thereof. Accordingly, you would own a 0.09855% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

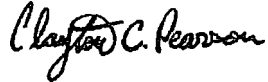
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500.00 per drilling month and \$750.00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682 3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive, flowing style.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

February 17, 2017

### *Via Certified Mail*

Mr & Mrs Guadalupe Franco  
112 N 6<sup>th</sup> Street  
Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0 20455 net acres in Lot 11, Block 75 of the Beeman Subdivision found in the SW/4SE/4 of Section 21. Accordingly, you would own a 0 06392% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15 400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

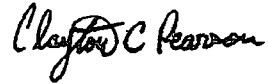
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive, flowing style.

Clayton Pearson  
Landman



## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### Via Certified Mail

Jude Andrew Oslund  
P O Box 658  
Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S 28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320.00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0.20455 net acres in Lot 13, Block 75 of the Beeman Subdivision found in the SW/4SE/4 of Section 21. Accordingly, you would own a 0.06392% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

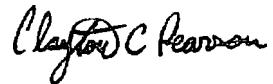
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500.00 per drilling month and \$750.00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682 3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive style with a large initial 'C'.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### *Via Certified Mail*

Martha V Rodriguez  
P O Box 146  
Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330 FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320.00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0.20102 net acres in a 166 foot by 52.75 foot lot found in the SW/4SE/4 of Section 21. Accordingly, you would own a 0.06282% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

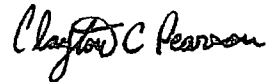
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500.00 per drilling month and \$750.00 per producing month.

Loving Townsite '21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C Pearson". The signature is written in a cursive style with a large initial 'C'.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### *Via Certified Mail*

Mr & Mrs Maura Granado  
P O Box 487  
Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0 20455 net acres in Lot 16, Block 75 of the Beeman Subdivision in the SW/4SE/4 of Section 21. Accordingly, you would own a 0 03922% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

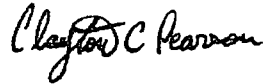
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in cursive script that reads "Clayton C. Pearson".

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### Via Certified Mail

Mr & Mrs Melvin L Balderrama  
2606 Garden Street  
Carlsbad, New Mexico 88220

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28 23S-28E 220' FNL & 450' FEL (SL)  
Sec 21 23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21 T23S, R28E  
Eddy County New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0 10560 net acres in Lot 10, Block 22 of the Snyder Subdivision in the SW/4SE/4 of Section 21. Accordingly, you would own a 0 03300% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive style with a large initial 'C'.

Clayton Pearson  
Landman



# MEWBOURNE OIL COMPANY

500 West Texas, Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685-4170

February 17, 2017

## **Via Certified Mail**

Olga C Rodriguez  
502 S Lake Street  
Carlsbad, New Mexico 88220

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28 23S 28E 220 FNL & 450' FEL (SL)  
Sec 21-23S-28E 330 FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0 20102 net acres in a 105 5 foot by 166 foot tract in the SW/4SE/4 of Section 21. Accordingly, you would own a 0 0628175% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10 477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

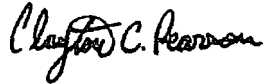
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month.

Loving Townsite '21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above please email me at  
[cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink, appearing to read "Clayton C. Pearson". The signature is written in a cursive, flowing style.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### *Via Certified Mail*

Ray Gilmore  
P O Box 658  
Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28 23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0 22383 net acres in Lot 2, Block 78 of the Beeman Subdivision in the SW/4SE/4 of Section 21. Accordingly, you would own a 0 06995% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

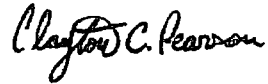
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive style with a large initial 'C'.

Clayton Pearson  
Landman

# MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

## *Via Certified Mail*

Mr & Mrs Roman A Gonzalez  
4735 Country Club Drive  
Midland, Texas 79703

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S 28E 220 FNL & 450' FEL (SL)  
Sec 21 23S-28E 330 FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production According to our most recent title information, you own 0 22383 net acres in Lot 1, Block 78 of the Beeman Subdivision in the SW/4SE/4 of Section 21 Accordingly, you would own a 0 06995% working interest in the proposed WIU

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL) The proposed Loving Townsite '21 W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area

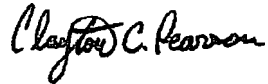
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017 For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive style with a large, stylized 'C' at the beginning.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### Via Certified Mail

Traders of Carlsbad, Inc  
815 W Mermod Street  
Carlsbad, New Mexico 88220

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S 28E 220' FNL & 450' FEL (SL)  
Sec 21-23S 28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information you own 0 20455 net acres in Lot 15, Block 78 of the Beeman Subdivision in the SW/4SE/4 of Section 21. Accordingly, you would own a 0 06392% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10 477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

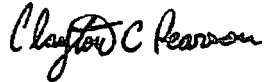
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive, flowing style.

Clayton Pearson  
Landman



## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### Via Certified Mail

Trinidad Armendariz  
P O Box 465  
Loving, New Mexico 88256

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28 23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320.00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0.16988 net acres in Lots 7, 9, 11, and 13, Block 9 of the Snyder Subdivision in the SW/4SE/4 of Section 21. Accordingly, you would own a 0.05308% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite 21' W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area.

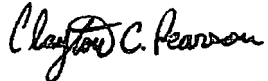
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500.00 per drilling month and \$750.00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at  
[cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682 3715

Sincerely

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive, flowing style.

Clayton Pearson  
Landman

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

*Via email John A Clark@wellsfargo.com*  
*And Certified Mail*

Wells Fargo Bank, N A  
MAC E2064-106  
Law Department  
333 So Grand Ave , Suite 1040  
Los Angeles California 90071

Re Loving Townsite '21" Working Interest Unit  
Loving Townsite '21' W2PA Fee #1H Well  
Sec 28-23S-28E 220' FNL & 450' FEL (SL)  
Sec 21-23S 28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21, T23S, R28E  
Eddy County New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ( 'Mewbourne") as Operator hereby proposes to form a 320 00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production According to our most recent title information you own 0 42011 net acres in Lots 1 and 3, Block 77 of the Beeman Subdivision in the SW/4SE/4 of Section 21 Accordingly you would own a 0 13128% working interest in the proposed WIU

In reference to the above Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL) The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil proration unit and project area

Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017 For your information,

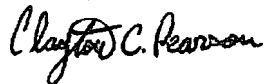
Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

the overhead rates found in the Joint Operating Agreement will be \$7,500 00 per drilling month and \$750 00 per producing month

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682 3715

Sincerely,

**MEWBOURNE OIL COMPANY**



Clayton Pearson  
Landman

cc Wells Fargo Bank, N A  
Oil, Gas, & Mineral Management  
Birgit Roesink-Miller  
1740 Broadway Street  
Denver, Colorado 80274

## MEWBOURNE OIL COMPANY

500 West Texas Suite 1020  
Midland, Texas 79701  
Phone (432) 682 3715  
Fax (432) 685 4170

February 17, 2017

### Via Certified Mail

Ysabel M Calderon  
212 S 1<sup>st</sup> Street  
Artesia, New Mexico 88210 2112

Re Loving Townsite "21" Working Interest Unit  
Loving Townsite "21" W2PA Fee #1H Well  
Sec 28-23S-28E 220' FNL & 450' FEL (SL)  
Sec 21 23S-28E 330' FNL & 450' FEL (BHL)  
E/2 of Section 21 T23S, R28E  
Eddy County, New Mexico

Ladies and Gentlemen

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 320.00 acre Working Interest Unit ("WIU") covering all the E/2 of the captioned Section 21 for oil and gas production. According to our most recent title information, you own 0.21120 net acres in Lots 12 and 14, Block 22 of the Snyder Subdivision in the SW/4SE/4 of Section 21. Accordingly, you would own a 0.06600% working interest in the proposed WIU.

In reference to the above, Mewbourne as Operator hereby proposes to drill the captioned well at the referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed Loving Townsite "21" W2PA Fee #1H well will be drilled to a true vertical depth ("TVD") of approximately 10,477 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production. The proposed well will have a horizontal measured depth ("MD") of approximately 15,400 feet. The E/2 of the captioned Section 21 will be dedicated to the well as the pooled oil production unit and project area.

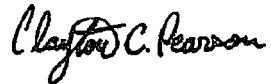
Regarding the above, enclosed for your further handling is our AFE dated April 7, 2016 for the captioned proposed well. In the event you elect to participate in the proposed WIU and well, please execute the enclosed AFE and return to me by February 28, 2017. For your information, the overhead rates found in the Joint Operating Agreement will be \$7,500.00 per drilling month and \$750.00 per producing month.

Loving Townsite 21 W2PA Fee #1H  
E/2 of Section 21 T23S R28E  
February 17 2017  
Page 2 of 2

Should you have any questions regarding the above, please email me at [cpearson@mewbourne.com](mailto:cpearson@mewbourne.com) or call me at (432) 682-3715

Sincerely,

**MEWBOURNE OIL COMPANY**

A handwritten signature in black ink that reads "Clayton C. Pearson". The signature is written in a cursive, flowing style.

Clayton Pearson  
Landman