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WRITER:

Thomas M. Hnasko Partner thnasko@hinklelawfirm.com

June 24, 2008

Mr. Michael Shepard, Esq. Mewbourne Oil Company P.O. Box 7698 Tyler, Texas 75711

Re: Mesquite SWD, Inc. Application to Modify Permit No. SWD 180 for the Exxon State No. 8 Produced Water Disposal Well

Dear Mr. Shepard:

Enclosed please find Mesquite SWD, Inc.'s application to modify Permit SWD-180 for the Exxon State No. 8, a salt water disposal injection well. The Exxon State No. 8 has operated at a total depth of 694 feet since 1978 and is currently permitted for disposal of produced water to a depth of 600 feet in the Yates formation. The application seeks to formally increase the permitted depth of the well to 694 feet, which is still within the Yates formation.

Interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM, 87505 within 15 days of receipt of this letter.

If you have any questions, or if I can be of assistance, please do not hesitate to contact me at (505) 982-4554.

Very truly yours,

Yunda

Thomas M. Hnasko

PO BOX IO ROSWELL, NEW MEXICO 88202 (505) 622-6510 FAX (505) 623-9332 PO BOX 3580 MIDLAND, TEXAS 79702 (432) 683-4691 FAX (432) 683-6518 PO BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623 919 CONGRESS, SUITE 1150 AUSTIN, TEXAS 78701 (512) 476-7137 FAX (512) 476-7146

SENDER: COMPLETE THIS SECTION COMPLETE THIS SECTION ON DELIVERY Complete items 1, 2, and 3. Also complete A. Signature item 4 if Restricted Delivery is desired. □ Agent XS Print your name and address on the reverse 5 Address so that we can return the card to you. B_Received by (Printed Name) C. Date of Delive Attach this card to the back of the mailpiece, 6-2010 CREWOWK or on the front if space permits. D. Is delivery address different from item 1? 🗆 Yes 1. Article Addressed to: If YES, enter delivery address below: 🗆 No MR. Michael Shepardes Mewbourne oil p.O.Box 7698 Tyler, Tx 75711 3. Service Type Certified Mail Registered Express Mail Return Receipt for Merchandis Insured Mail C.O.D. 4. Restricted Delivery? (Extra Fee) Yes 2. Article Number 7005 1820 0006 3433 8385 (Transfer from service label), PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-15-US POSE SENTRE Meterial Mathematical States and the second ...) = m ine in the second se m S ΞĒ 30 \$ Postage U 9000 **Certified** Fee Return Receipt Fee (Endorsement Required) 1,820 Restricted Delivery Fee (Endorsement Required) G. \$ Total Postage & Fees 7005 Street Apt. No.: P.O. BOX 7692 Citv, Stat Tyler, TX 757 11