

**Summary of Communications**  
**Case No. 14433**  
**Wyatt Draw "17" K No. 1 Well**  
**NE/4SW/4 Section 17, T19S, R26E**  
**Eddy County, New Mexico**

**Nadel & Gussman Permian, LLC**  
**Emerald Johnson – Landman**

**1.50% WI**

- 
- 1-19-10      Proposed formation of Working Interest Unit (WIU) comprising all of Section 17, 18, N/2N/2 Section 19 and N/2NW/4 of Section 20 via letter dated 1-19-10. Proposed initial well to be located in the NE/4SW/4 (Unit K) to be drilled to a depth sufficient to evaluate Yeso formation. Furnished AFE for signature.
- 2-9-10        Hand delivered proposed WIU Operating Agreement dated 1-26-10. Requested their execution of Operating Agreement and signature of 12-17-09 AFE.
- 2-19-10      Mailed revised pages to WIU Operating Agreement requesting their execution of the Operating Agreement via letter dated 2-19-10.
- 2-25-10      Follow up call this date to Emerald. Left message for her to call me regarding our proposal.

**Trainer Partners, Ltd.**  
**Randall Trainer - Partner**

**0.10% WI**

- 
- 1-19-10      Sent letter this date proposing Working Interest Unit (WIU) with AFE enclosed.
- 2-9-10        Via certified mail, sent letter with Operating Agreement dated 1-26-10 enclosed regarding WIU. Requested their execution of the Operating Agreement and signature of AFE.
- 2-9-10        Received signed AFE this date.
- 2-19-10      Mailed revised Operating Agreement pages.

**Isramco Energy, LLC**  
**Salina Grisham – Engineering Tech**

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**1.70% WI**

- 1-19-10 Sent letter this date proposing Working Interest Unit (WIU) with AFE.
- 2-9-10 Via certified mail, sent letter with Operating Agreement dated 1-26-10 enclosed regarding WIU. Requested their execution of the Operating Agreement and signature of AFE.
- 2-19-10 Mailed revised Operating Agreement pages.
- 2-22-10 Received email from Salina Grisham this date requesting information regarding their working interest.
- 2-22-10 Responded via email to Salina advising her of what percentage Isramco owned.
- 2-23-10 Emailed Salina advising her of what their unit working interest was and their leasehold ownership interest in the proposed well.
- 2-23-10 Follow up email.



"Salina Grisham"  
<SGrisham@isramco-jay.com  
>

02/23/2010 11:09 AM

To "Paul Haden" <phaden@Mewbourne.com>

cc

bcc

Subject RE: North Wyatt Draw WIU

Paul,

Hi there. Thank you for the email. I am a little confused on how you are getting your WI% for the well and the unit. What was sent in your letter dated 1-19/2010 you said we would have 4.273385% unit working interest, but in your email you said if we did not participate we would be force pooled for 1.7% working interest? If you could just clarify that I would appreciate it.

Thanks again,

Salina Grisham  
Engineering Tech

Isramco - Jay Management Co. LLC  
2425 West Loop South, Suite 810  
Houston, Texas 77027  
Off. 713-621-6785 Ext 317  
Fax 832-494-2835  
Cell: 832-377-9096

☐ please consider the environment before printing this email

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

From: Paul Haden [mailto:phaden@Mewbourne.com]  
Sent: Monday, February 22, 2010 4:35 PM  
To: Salina Grisham  
Subject: Re: North Wyatt Draw WIU

Salina , Isramco owns a 17%WI in the S/2 Sec. 18 , T19S, R26E, Eddy Co.,NM and a 1.7%WI in 621.713 acres in Sec. 17, T19S, R26E. The S/2 Sec. 18 is currently operated by V.F. Petroleum here in Midland as to its Brotherhood #1 Well located in the SE/4 Sec. 18 which is a Morrow gas well. We are proposing to form a 1360.47 acre working interest unit covering rights from the surface to the top of the Bone Spring Lime. We've proposed the Wyatt Draw "17" K #1 Well to be located in the NE/4SW/4 Sec. 17 which well will be drilled sufficient to adequately evaluate the Yeso formation , estimated TD being 3500' beneath the surface. Isramco owns a 4.775491% WI in the proposed well. This well was proposed 1-19-10 with AFE dated 12-17-09. I've previously sent an Operating Agreement dated 1-26-10 on 2-9-10 for execution. Isramco's interest is currently subject to a force pooling hearing to occur 3-4-10 unless the AFE and

Operating Agreement are  
executed. Accordingly, Isramco should respond to our proposed well prior to  
the hearing date.  
Isramco's 1.7%WI will be pooled if we receive no response from Isramco.  
Please let me know if  
you need anything further.

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

\_\_\_\_\_ Information from ESET Smart Security, version of virus signature  
database 4888 (20100222) \_\_\_\_\_

The message was checked by ESET Smart Security.

<http://www.eset.com>

\_\_\_\_\_ Information from ESET Smart Security, version of virus signature  
database 4890 (20100223) \_\_\_\_\_

The message was checked by ESET Smart Security.

<http://www.eset.com>

Paul Haden/Mewbourne  
02/22/2010 01:17 PM

To "Salina Grisham" <SGrisham@isramco-jay.com>  
cc  
bcc

Subject Re: North Wyatt Draw WIU

Salina , Isramco owns a 17%WI in the S/2 Sec. 18 , T19S, R26E, Eddy Co.,NM and a 1.7%WI in 621.713 acres in Sec. 17, T19S, R26E. The S/2 Sec. 18 is currently operated by V.F. Petroleum here in Midland as to its Brotherhood #1 Well located in the SE/4 Sec. 18 which is a Morrow gas well. We are proposing to form a 1360.47 acre working interest unit covering rights from the surface to the top of the Bone Spring Lime. We've proposed the Wyatt Draw "17" K #1 Well to be located in the NE/4SW/4 Sec. 17 which well will be drilled sufficient to adequately evaluate the Yeso formation , estimated TD being 3500' beneath the surface. Isramco owns a 4.775491% WI in the proposed well. This well was proposed 1-19-10 with AFE dated 12-17-09. I've previously sent an Operating Agreement dated 1-26-10 on 2-9-10 for execution. Isramco's interest is currently subject to a force pooling hearing to occur 3-4-10 unless the AFE and Operating Agreement are executed. Accordingly, Isramco should respond to our proposed well prior to the hearing date. Isramco's 1.7%WI will be pooled if we receive no response from Isramco. Please let me know if you need anything further.

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



"Salina Grisham"  
<SGrisham@isramco-jay.com  
>

02/22/2010 01:17 PM

To <phaden@mewbourne.com>

cc

bcc

Subject North Wyatt Draw WIU

Mr. Haden,


Can you send me a list of the WI% that you show we have in the proposed unit and wells? It will be under Isamco Energy, LLC.

Thank you,

**Salina Grisham**  
**Engineering Tech**



**Isramco - Jay Management Co. LLC**  
**2425 West Loop South, Suite 810**  
**Houston, Texas 77027**  
**Off. 713-621-6785 Ext 317**  
**Fax 832-494-2835**  
**Cell: 832-377-9096**

 please consider the environment before printing this email

\_\_\_\_\_ Information from ESET Smart Security, version of virus signature database 4888  
(20100222) \_\_\_\_\_

The message was checked by ESET Smart Security.

<http://www.eset.com>

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

February 19, 2010

Isramco Energy, LLC  
4801 Woodway, Suite 100E  
Houston, Texas 77056

Re: North Wyatt Draw WIU  
Section 17, NE/4 and  
S/2 Section 18, N/2N/2  
Section 19 and N/2NW/4  
Section 20, T19S, R26E  
Eddy County, New Mexico

Gentlemen:

Regarding the captioned WIU, enclosed are some revised pages to the JOA dated January 26, 2010 as follows:

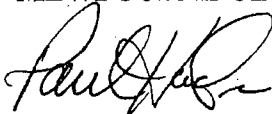
- 1) Page (i), Table of Contents, Article III(A) was reinstated.
- 2) Page 1, Article II(B) is marked as there is a form of lease attached as Exhibit "B" since some joint interest owners are participating with their mineral interests.
- 3) Page 2, Article III(A) was reinstated.
- 4) Exhibit "A" on page 6, item (7) was revised to provide for a 6.25% overriding royalty interests as to Murchison's interest.
- 5) Exhibit "B" the lease form is now attached as an Exhibit.

Please substitute the enclosed pages with the ones currently in your possession.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden  
Senior Landman

DPH/gb

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

**Isramco Energy, LLC** ✓  
**4801 Woodway, Suite 100E**  
**Houston, Texas 77056**

2. Article Number

(Transfer from service label)

**7005 2570 0001 0978 4964****COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

2/16/10

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

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

4. Restricted Delivery? (Extra Fee)

☐ Yes



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

February 9, 2010

Via Certified Mail-Return Receipt No. 4964

Isramco Energy, LLC  
4801 Woodway, Suite 100E  
Houston, Texas 77056

Re: North Wyatt Draw WIU  
T19S, R26E  
Section 17: All  
Section 18: NE/4 and S/2  
Section 19: N/2N/2  
Section 20: N/2NW/4  
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed herewith regarding the captioned Working Interest Unit (WIU) is our proposed Operating Agreement dated January 26, 2010 and an extra set of signature pages of same. You will note that the NW/4 of the captioned Section 18 which was previously proposed to be included in the WIU has been deleted from the WIU. This contraction of the WIU increases your unit working interest percentage slightly. The WIU now comprises 1360.47 acres, more or less.

As referenced in previous correspondence, the initial well will be drilled at a location in the NE/4SW/4 of the captioned Section 17 to a depth sufficient to evaluate the Yeso formation, estimated total depth being approximately 3,500 feet subsurface.

In the event you elect to participate in the captioned proposed WIU and participate in the above proposed initial well, please execute the enclosed Operating Agreement and extra set of signature pages of same and return only the executed set of signature pages to me. If you have not already done so, please sign and return our AFE dated December 17, 2009 which was previously sent you.

Some of you may have received notice of an Application for Compulsory Pooling regarding an Examiner's Hearing scheduled for March 4, 2010 regarding the proposed initial well. If your interest is subject to the Pooling Hearing, we will dismiss you from the hearing upon our receipt of the executed signature pages of the above referenced Operating Agreement and AFE.

Isramco Energy, LLC  
North Wyatt Draw WIU  
February 9, 2010  
Page -2-

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

Sincerely yours,

**MEWBOURNE OIL COMPANY**

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

D. Paul Haden  
Senior Landman

DPH/gb


Paul Haden/Mewbourne

02/23/2010 11:09 AM

To "Salina Grisham" <SGrisham@isramco-jay.com>

cc

bcc

Subject RE: North Wyatt Draw WIU 

Salina , sorry to confuse you. The 4.273385%WI is a Unit WI% in the proposed 1360.47 acre unit area. The 1.7%WI is Isramco's interest only in the Sec. 17 acreage which acreage covers 621.713 acres. Isramco owns a 17%WI in a lease which covers 10% of said acreage. We can only pool the 1.7%WI in the Sec. 17 acreage as that's where the proposed well is to be located. We can't pool a unit interest (the 4.273385% unit interest). We own the balance of the Sec. 17 acreage. Let me know if you have any further questions. We need a decision soon as to Isramco's participation in the proposed well. Thanks.

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

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

January 19, 2010

Isramco Energy, L.L.C.  
4801 Woodway, Suite 100E  
Houston, Texas 77056

Re: North Wyatt Draw WI Unit  
T19S, R26E  
Section 17: All  
Section 18: All  
Section 19: N/2N/2  
Section 20: N/2NW/4  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator proposes to form the captioned working interest unit ("WIU") to comprise the captioned land containing 1520.32 acres, more or less covering depths from the surface to the top of the Bone Spring Lime. The primary target formation for the proposed unit is the Yeso formation. The initial unit well will be drilled at a standard location in the NE/4SW/4 (Unit K) of the captioned Section 17 which well will be drilled to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being approximately 3,500 feet subsurface. Enclosed for your signature is our AFE dated December 17, 2009 regarding your unit ownership interest.

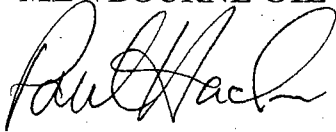
According to public records, Isramco owns a 17% WI in the S/2 of the captioned Section 18 and a 1.7% WI in 621.713 acres in the captioned Section 17 which corresponds to approximately a 4.273385% unit working interest.

In the event your firm elects not to participate in the proposed WIU, Mewbourne offers to purchase a two (2) year term assignment on the basis of \$250 per net acre providing a 1/4 royalty interest. At the end of the primary term, Mewbourne would be agreeable to 180 day continuous development whereby Mewbourne would release rights 100 feet below the total depth drilled on the leased premises and all proration units not dedicated to production upon cessation of the continuous development period.

Should your firm elect to participate in the proposed WIU, please acknowledge same by signing and returning the copy of this letter to me at your earliest convenience with the signed AFE. Upon receipt of same, I'll forward you our proposed Operating Agreement for signature. Please call should you have any questions regarding the above.

Sincerely yours,

**MEWBOURNE OIL COMPANY**



D. Paul Haden  
Senior Landman

DPH/gb

The undersigned elects to participate in the above proposed working interest unit.

**ISRAMCO ENERGY, L.L.C.**

By: \_\_\_\_\_

Date signed: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

February 19, 2010

Trainer Partners, Ltd.  
P.O. Box 3788  
Midland, Texas 79702-3788  
Attn: Randall Trainer

Re: North Wyatt Draw WIU  
Section 17, NE/4 and  
S/2 Section 18, N/2N/2  
Section 19 and N/2NW/4  
Section 20, T19S, R26E  
Eddy County, New Mexico

Dear Randall:

Regarding the captioned WIU, enclosed are some revised pages to the JOA dated January 26, 2010 as follows:

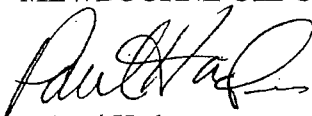
- 1) Page (i), Table of Contents, Article III(A) was reinstated.
- 2) Page 1, Article II(B) is marked as there is a form of lease attached as Exhibit "B" since some joint interest owners are participating with their mineral interests.
- 3) Page 2, Article III(A) was reinstated.
- 4) Exhibit "A" on page 6, item (7) was revised to provide for a 6.25% overriding royalty interests as to Murchison's interest.
- 5) Exhibit "B" the lease form is now attached as an Exhibit.

Please substitute the enclosed pages with the ones currently in your possession.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden  
Senior Landman

DPH/gb

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

Trainer Partners, Ltd. ✓  
P.O. Box 3788  
Midland, Texas 79702-3788

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

x *Leather Peeler*☐ Agent☐ Addressee

B. Received by (Printed Name)

*Leather Peeler*

C. Date of Delivery

*2-10-10*D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

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

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7009 2250 0000 0616 6653

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

February 9, 2010

Via Certified Mail-Return Receipt No. 6653

Trainer Partners, Ltd.  
P.O. Box 3788  
Midland, Texas 79702-3788

Re: North Wyatt Draw WIU  
T19S, R26E  
Section 17: All  
Section 18: NE/4 and S/2  
Section 19: N/2N/2  
Section 20: N/2NW/4  
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed herewith regarding the captioned Working Interest Unit (WIU) is our proposed Operating Agreement dated January 26, 2010 and an extra set of signature pages of same. You will note that the NW/4 of the captioned Section 18 which was previously proposed to be included in the WIU has been deleted from the WIU. This contraction of the WIU increases your unit working interest percentage slightly. The WIU now comprises 1360.47 acres, more or less.

As referenced in previous correspondence, the initial well will be drilled at a location in the NE/4SW/4 of the captioned Section 17 to a depth sufficient to evaluate the Yeso formation, estimated total depth being approximately 3,500 feet subsurface.

In the event you elect to participate in the captioned proposed WIU and participate in the above proposed initial well, please execute the enclosed Operating Agreement and extra set of signature pages of same and return only the executed set of signature pages to me. If you have not already done so, please sign and return our AFE dated December 17, 2009 which was previously sent you.

Some of you may have received notice of an Application for Compulsory Pooling regarding an Examiner's Hearing scheduled for March 4, 2010 regarding the proposed initial well. If your interest is subject to the Pooling Hearing, we will dismiss you from the hearing upon our receipt of the executed signature pages of the above referenced Operating Agreement and AFE.



Trainer Partners, Ltd.  
North Wyatt Draw WIU  
February 9, 2010  
Page -2-

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

Sincerely yours,

**MEWBOURNE OIL COMPANY**

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

D. Paul Haden  
Senior Landman

DPH/gb

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

January 19, 2010

Trainer Partners, Ltd.  
P.O. Box ~~754~~ 3788  
Midland, Texas 79702 - 3788

Re: North Wyatt Draw WI Unit  
T19S, R26E  
Section 17: All  
Section 18: All  
Section 19: N/2N/2  
Section 20: N/2NW/4  
Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator proposes to form the captioned working interest unit ("WIU") to comprise the captioned land containing 1520.32 acres, more or less covering depths from the surface to the top of the Bone Spring Lime. The primary target formation for the proposed unit is the Yeso formation. The initial unit well will be drilled at a standard location in the NE/4SW/4 (Unit K) of the captioned Section 17 which well will be drilled to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being approximately 3,500 feet subsurface. Enclosed for your signature is our AFE dated December 17, 2009 regarding your unit ownership interest.

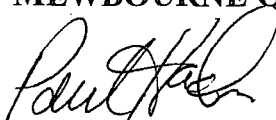
According to public records, Trainer Partners owns a 1.0% WI in the S/2 of the captioned Section 18 and a 0.10% WI in 621.713 acres in the captioned Section 17 which corresponds to approximately a 0.251375% unit working interest.

In the event your firm elects not to participate in the proposed WIU, Mewbourne offers to purchase a two (2) year term assignment on the basis of \$250 per net acre providing a 1/4 royalty interest. At the end of the primary term, Mewbourne would be agreeable to 180 day continuous development whereby Mewbourne would release rights 100 feet below the total depth drilled on the leased premises and all proration units not dedicated to production upon cessation of the continuous development period.

Should your firm elect to participate in the proposed WIU, please acknowledge same by signing and returning the copy of this letter to me at your earliest convenience with the signed AFE. Upon receipt of same, I'll forward you our proposed Operating Agreement for signature. Please call should you have any questions regarding the above.

Sincerely yours,

**MEWBOURNE OIL COMPANY**



D. Paul Haden  
Senior Landman

DPH/gb

The undersigned elects to participate in the above proposed working interest unit.

**TRAINER PARTNERS, LTD.**

By: \_\_\_\_\_

Date signed: \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

February 19, 2010

Nadel & Gussman Permian, LLC  
601 N. Marienfeld, Suite 508  
Midland, Texas 79701  
Attn: Emerald Johnson

Re: North Wyatt Draw WIU  
Section 17, NE/4 and  
S/2 Section 18, N/2N/2  
Section 19 and N/2NW/4  
Section 20, T19S, R26E  
Eddy County, New Mexico

Dear Emerald:

Regarding the captioned WIU, enclosed are some revised pages to the JOA dated January 26, 2010 as follows:

- 1) Page (i), Table of Contents, Article III(A) was reinstated.
- 2) Page 1, Article II(B) is marked as there is a form of lease attached as Exhibit "B" since some joint interest owners are participating with their mineral interests.
- 3) Page 2, Article III(A) was reinstated.
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- 5) Exhibit "B" the lease form is now attached as an Exhibit.

Please substitute the enclosed pages with the ones currently in your possession.

Please call should you have any questions regarding the above.

Sincerely yours,

MEWBOURNE OIL COMPANY



D. Paul Haden  
Senior Landman

DPH/gb

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

February 9, 2010

Hand Delivered

Nadel & Gussman Permian, LLC  
601 N. Marienfeld, Suite 508  
Midland, Texas 79701  
Attn: Emerald Johnson

Re: North Wyatt Draw WIU  
T19S, R26E  
Section 17: All  
Section 18: NE/4 and S/2  
Section 19: N/2N/2  
Section 20: N/2NW/4  
Eddy County, New Mexico

Ladies and Gentlemen:

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In the event you elect to participate in the captioned proposed WIU and participate in the above proposed initial well, please execute the enclosed Operating Agreement and extra set of signature pages of same and return only the executed set of signature pages to me. If you have not already done so, please sign and return our AFE dated December 17, 2009 which was previously sent you.

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Nadel & Gussman Permian, LLC  
North Wyatt Draw WIU  
February 9, 2010  
Page -2-

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

Sincerely yours,

**MEWBOURNE OIL COMPANY**

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

D. Paul Haden  
Senior Landman

DPH/gb

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

January 19, 2010

Nadel & Gussman Permian, L.L.C.

P.O. Box 205

Midland, Texas ~~79702~~ 79701

→ 601 N. Marienfeld Suite 508

Re: North Wyatt Draw WI Unit  
T19S, R26E

Section 17: All

Section 18: All

Section 19: N/2N/2

Section 20: N/2NW/4

Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company ("Mewbourne") as Operator proposes to form the captioned working interest unit ("WIU") to comprise the captioned land containing 1520.32 acres, more or less covering depths from the surface to the top of the Bone Spring Lime. The primary target formation for the proposed unit is the Yeso formation. The initial unit well will be drilled at a standard location in the NE/4SW/4 (Unit K) of the captioned Section 17 which well will be drilled to a depth sufficient to adequately evaluate the Yeso formation, estimated total depth being approximately 3,500 feet subsurface. Enclosed for your signature is our AFE dated December 17, 2009 regarding your unit ownership interest.

According to public records, Nadel & Gussman Permian owns a 15% WI in the S/2 of the captioned Section 18 and a 1.5% WI of 621.713 acres in the captioned Section 17 which corresponds to approximately a 3.770633% unit working interest.

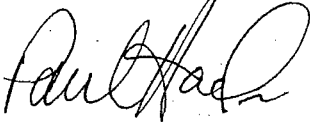
In the event your firm elects not to participate in the proposed WIU, Mewbourne offers to purchase a two (2) year term assignment on the basis of \$250 per net acre providing a 1/4 royalty interest. At the end of the primary term, Mewbourne would be agreeable to 180 day continuous development whereby Mewbourne would release rights 100 feet below the total depth drilled on the leased premises and all proration units not dedicated to production upon cessation of the continuous development period.

Nadel & Gussman Permian, L.L.C.  
North Wyatt Draw WI Unit  
January 19, 2010  
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Should your firm elect to participate in the proposed WIU, please acknowledge same by signing and returning the copy of this letter to me at your earliest convenience with the signed AFE. Upon receipt of same, I'll forward you our proposed Operating Agreement for signature. Please call should you have any questions regarding the above.

Sincerely yours,

**MEWBOURNE OIL COMPANY**



D. Paul Haden  
Senior Landman

DPH/gb

The undersigned elects to participate in the above proposed working interest unit.

**NADEL & GUSSMAN PERMIAN, L.L.C.**

By: \_\_\_\_\_

Date signed: \_\_\_\_\_