

CHRONOLOGY - NMOCD CASE NO. 11830

TAB NO.	EVENT	DATE
	MOC began geological study of area.	11/15/96
	MOC <del>ordered</del> lease take-offs.	01/15/97
	MOC acquired Hallwood's interest in NW/4 of Section 21.	02/01/97
	Mewbourne meets with Devon in Oklahoma City and proposes a Strawn Sand development for T-21-S, R-26-E, Eddy County, NM. <u>Until then, Devon had no knowledge of the development in the Strawn in the area.</u>	03/13
1.	Map of Eddy County, New Mexico, Section 15, 21-S, 26-E	
2.	Unit Ownership and Tract Ownership of S/2 of Section 15-21S-26E	
3.	Chronology	
4.	Mewbourne Oil Co. AFE: Total completed well cost: \$690,000.	06/10/97
5.	Correspondence from Steve Cobb, District Landman, Mewbourne Oil Co. to Ken Gray, Devon Energy Corporation proposing 11,200 ft. Morrow Formation well at "approximately 1980 FSL and 1650 FWL"; encloses AFE dated June 10, 1997; JOA will be forwarded on execution of AFE. Alternatively, proposed farmout of Devon interests under S/2 of Sec. 15 for 180 days with a 25% net ORRI. As a second alternative, Melbourne offers to acquire Devon's interest in the unit for \$150 per net acre. "We anticipate drilling the captioned well in the third quarter of 1997, your earliest response to the proposal would greatly appreciated."	06/12/97
	Ken Gray calls Steve Cobb on this and another project and advises Devon wishes to operate Sec. 15.	06/16/97
	Mewbourne Oil Company files APD for Carlsbad 15 Fed. COM No. 1.	06/17/97
	Mewbourne files it APD with the BLM for the Carlsbad Fed COM No. 1.	06/17/97
	BLM verbally advises of its request to move location 200' to the east.	06/23/97
6.	Correspondence from Steve Cobb to Ken Gray advising Devon of BLM requirement to relocate well 200 feet to the east.	06/24/97
	BLM's written request that well location be moved 200' to the east as a condition of its approval.	06/24/97
	Mewbourne files its C-102 acreage dedication plat for its Carlsbad 15 Fed COM No. 1 at a location 1850 from the west line and 1980 from the south line (Unit K)	06/25/97
	Telephone call from Ken Gray: Devon will prepare AFE and propose a Devon operated well; "location not an issue"	06/25/97
	Mewbourne directs counsel to initiate compulsory pooling proceeding for Carlsbad 15 Fed COM 1.	07/01/97

6/10/97 MOC acquired rights

TAB NO.	EVENT	DATE
7.	Correspondence from Ken Gray, District Landman, Devon Energy Corporation to Steve Cobb, Mewbourne Oil Co. acknowledging receipt of Mewbourne's letters dated June 12 and June 24, 1997 for the well proposal. Devon proposes to be named operator of the well and transmits its undated AFE with a completed well cost of \$721,000. Devon also proposes formation of a 640-acre working interest unit.	07/03/97
	Mewbourne receives Devon's well proposal.	07/03/97
8.	Correspondence from Steve Cobb, Mewbourne Oil Co. to Ken Gray, Devon Energy Corp.: requests Devon's support for Mewbourne operated well; notes AFE costs are \$31,000 less than Devon's; MOC has a contracted rig and plans to drill the well by Dec. 1st and the initiation of the geological review by Devon. References March 13, 1997 meeting in Oklahoma City.	07/14/97
	Mewbourne sends "operations letter" to Devon.	07/14/97
	Mewbourne Land personnel determine surface ownership and occupancy prior to drilling.	07/23/97
	Steve Cobb telephone conversation with Ken Gray.	07/29/97
	Notification of compulsory pooling application sent to Devon Energy Corporation.	07/29/97
	Jim Gray calls Jim Cobb and advises that Devon will pool Mewbourne.	07/29/97
9.	Mewbourne prepares its JOA.	07/30/97
	Steve Cobb calls Ken Gray and requests that Devon give Mewbourne until January 1, 1998 to drill the well and if not drilled, then Devon may proceed. Devon refuses.	07/30/97
	Devon Energy Corporation application for compulsory pooling sent to NMOCD.	07/30/97
	Telephone conversation between Steve Cobb and Ken Gray: suggest one company operate through completion and the other operate thereafter.	07/31/97
	Devon Energy Corporation application for compulsory pooling received by NMOCD.	08/05/97
10.	Mewbourne transmits its July 30, 1997 JOA to Devon and requests execution.	08/06/97
	Steve Cobb leaves telephone message for Ken Gray.	08/11/97
	Steve Cobb telephone conference w/ Ken Gray.	08/13/97
	Steve Cobb telephone conference w/ Ken Gray: continue case until 9/4/97.	08/14/97
	Ralph Moore telephone conference w/Wayne Roberts.	08/18/97

TAB NO.	EVENT	DATE
11.	Correspondence from Ken Gray, Devon Energy Corporation, to Steve Cobb, Mewbourne Oil Co.: acknowledges receipt of Mewbourne July 30, 1997 JOA and advises that Devon will not provide its form of JOA nor will it review Mewbourne's JOA until the NMOCD has issued an order on the competing pooling applications.	08/19/97
12.	Correspondence from Ralph Moore at Mewbourne to Wayne Roberts, District Geologist, Devon Energy Corp. referencing August 18, 1997 telephone conversation and solicits Devon's suggestions or proposals to resolve the operation issue for the Carlsbad of the 15 Fed Com 1.	08/21/97
13.	Correspondence from Ken Gray to Steve Cobb responding to Ralph Moore's August 21, 1997 correspondence. Ken Gray represents that MOC has proposed a January 1, 1998 drilling commencement. (In fact, Mewbourne had earlier proposed that the well be drilled in the third quarter of 1997) Ken Gray indicates that the rig on Devon's N/2 location will be spudding the Avalon 15C State Com No. 1 "around Sept. 2". Devon represents it can spud the Carlsbad 15 Fed. Com No. 1 "as early as mid-October, subject to receipt of an approved APD"	08/26/97
	Steve Cobb telephone conference w/ Ken Gray: sell interest.	08/27/97
14.	Correspondence from Ken Gray to Steve Cobb; Devon will negotiate a contract for S/2 Sec. 15 naming Mewbourne as operator contingent on Mewbourne's sale of a 45% interest and execution of a JOA for a well on separate acreage.	09/03/97
	Telephone conversation between Steve Cobb and Ken Gray. Mewbourne proposes: (1) formation of a joint working interest unit comprising all of Sec. 15 and N/2 Sec. 22; (2) Mewbourne relinquishes operations to Devon for unit development; (3) Mewbourne will participate with its full interest in Devon's well in the N/2 Sec. 15.	09/11/97
15.	Correspondence from Steve Cobb to Ken Gray requesting Devon's reconsideration of its rejection of Mewbourne's Sept. 11, 1997 proposal.	09/12/97
16.	Devon Energy AFE: Total completed well cost: \$722,000.	
17.	Mewbourne Oil Company APD	06/17/97