MEWBOURNE OIL COMPANY

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August 21, 1997

Devon Energy Corporation 20 North Broadway, Suite 1500 Oklahoma City, Oklahoma 73102-8260 Fax: (405-552-4552)

Attention:

Mr. Wayne Roberts

District Geologist

Dear Mr. Roberts:

As a follow up to our telephone conversation of Monday, August 18, 1997 Mewbourne Oil Company "Mewbourne" remains open to any suggestions or proposals which Devon Energy Corporation "Devon" might have in order to resolve the Carlsbad "15" Federal Com. No. 1 well operational issues. As you know "Mewbourne" has made a number of suggestions to resolve this matter.

"Mewbourne" remains optimistic that a mutually acceptable resolution can be reached prior to the NMOCD hearing date. "Mewbourne" looks forward to hearing from "Devon".

Sincerely,

MEWBOURNE OIL COMPANY

Ralph P. Moore, Jr.

District Exploration Manager

RPM/gb