

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170

November 13, 2000

EOG Resources, Inc.
P.O. Box 2267
Midland, Texas 79702

Attention: Mr. Patrick J. Tower

Re: Amendment of Division Order R-11433;
Approval of an Unorthodox Location;
EOG's Warp Speed "7" Fed. Com. #1 Well
2280' FNL & 1930' FWL
Section 7, T17S, R29E
Eddy County, New Mexico

Gentlemen:

Regarding the captioned well and proposed unorthodox location, Mewbourne Oil Company (Mewbourne) as an offset Operator waives objection to such well location subject to the following conditions:

- 1) In the event EOG Resources, Inc. (EOG) drills the captioned well, EOG agrees to a one time waiver of objection to a subsequent well (a well drilled to test the Pennsylvanian formation) Mewbourne proposes to drill in the adjoining S/2 of the captioned Section 7 wherein Mewbourne agrees to locate such well no closer than 360' from the North line of Mewbourne's S/2 spacing unit.
- 2) EOG agrees to furnish Mewbourne a copy of all logs, drillstem test information, Reservoir Formation Tests and daily drilling and completion reports as such information becomes available to EOG through sixty (60) days of official completion of EOG's captioned well. Likewise, Mewbourne agrees to furnish EOG the same information in the same timely manner for any subsequent well drilled by Mewbourne as referenced above.
- 3) Should the Oil Conservation Division or Commission place any restrictions or conditions on the drilling of the captioned well, and EOG drills said well, EOG reserves the right to seek the same restrictions or conditions on Mewbourne's well noted in paragraph 1 above.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 12543 Exhibit No. 5
Submitted by:
EOG Resources, Inc.
Hearing Date: November 16, 2000

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If the above conditions are acceptable to EOG, please acknowledge such acceptance by signing and returning the copy of this letter to the undersigned on or before November 15, 2000 at 5:00 P.M. CDT. Failure to return same within such time period shall result in the automatic withdrawal and termination of this agreement at Mewbourne's sole option.

Sincerely yours,

MEWBOURNE OIL COMPANY

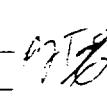


D. Paul Haden
Senior Landman

DPH/gb

Agreed and Accepted this 14th day of November, 2000.

EOG RESOURCES, INC.

By: William R. Thomas 
Title: Senior Vice President
Name typed/printed: William R. Thomas

xc: Campbell, Carr, Berge
& Sheridan, P.A.
P.O. Box 2208
Santa Fe, N.M. 87504-2208
Attention: Mr. William F. Carr

James Bruce
P.O. Box 1056
Santa Fe, N.M. 87504