Summary of Communications

Cibola Energy Corporation and Jalapeno Corporation: Harvey E. Yates, Jr.; Richard Williams

- 1) 5-30-01: Proposed well via certified mail with AFE and JOA enclosed for execution.
- 2) 6-19-01: Follow up letter. Enclosed copy of signature pages as to Marbob Energy's and Tenison Oil Co.'s interests for their file and information.
- 3) 7-11-01: Follow up letter via certified mail.
- 4) 7-11-01: Richard Williams called this date and said they didn't think they owned as much interest as we credited them. Harvey E. Yates, Jr. is on vacation and will not be back before the pooling hearing, accordingly Richard will be making an appearance for their behalf at the hearing. Sent Richard a copy of our Drilling Opinion for their information.
- 5) 7-17-01: Sent our revised AFE for their information and consideration.
- 6) 7-19-01: Richard Williams called, left message for me to call him.
- 7) 7-20-01: Called Richard, left message. Richard called and wanted to know how my meeting with Heyco, et al went. I advised Richard that Heyco, et al still was reviewing their files to figure out their percentage interests.

OIL CONSERVATION	DIVISION
CASE NUMBER	
EXHIBIT	2C

7-19-01: Richard Williams called, left message for me to call. Message for me to call. 7-20-01: Called Richard, left message for him to call me. \$20-01: Richard returned my call. He wanted to know how our neeting with him Heyco went regarding ownerships I told him Heyro was still reviewing their files to lique out their ownership, honewe the four own they think they own ownership which they think they ownership varies only slightly as to the ownership we credit them. Dichard said he'd be at the hearing to enter an appearance.

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 17, 2001

Cibola Energy Corporation and Jalapeno Corporation P.O. Box 1608 Albuquerque, New Mexico 87103

Attn: Richard Williams

Re: Esperanza "15" State Com. #1 Well

E/2 of Section 15, T21S, R27E Eddy County, New Mexico

Dear Richard:

Regarding the captioned proposed well, enclosed for Cibola's and Jalapeno's consideration and execution is our revised AFE dated May 31, 2001. You will note that the estimated well cost is significantly lower than the previous AFE dated April 23, 2001.

Should you have any questions regarding the above proposed well and or questions regarding Cibola's and Jalapeno's title under the subject land, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

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SENDER: "Complete Items 1 and/o" 2 for additional services. "Complete Items 3, 4a 4b. "Print your name and a so on the reverse of this form so that we card to you. "Attach this form to the front of the mailpiece, or on the back if space permit. "Write" The Receipt Requested" on the mailpiece below the article "The Return Receipt will show to whom the article was delivered and delivered.	1. Addressee's Address 1. Restricted Delivery
3. Article Addressed to: Cibola Energy Corporation and Jalapeno Corporation P.O. Box 1608 Albuquerque, N.M. 87103 Attn: Mr. Harvey E. Yates, Jr.	4a. Article Number 2471 30 664 4b. Service Type Registered Express Mail Return Receipt in Merchandian 5 500 7. Date of Delivery
5. Received By: (Print Name) Claudia Yevenson 6. Signature: (Addressee or Agent) X Claudia Yeven	8. Addressee's Address (VII) if requested and fee is paid)
PS Form 3811 , December 1994 102	595-97-8-0179 Domestic Return Receipt

MANAGE ALLE

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

July 11, 2001

[Certified Mail-Return Receipt Requested Z471130664]

Cibola Energy Corporation and Jalapeno Corporation P.O. Box 1608 Albuquerque, New Mexico 87103 Attn: Mr. Harvey E. Yates, Jr.

Re:

Esperanza "15" State Com. #1 Well

E/2 of Section 15, T21S, R27E Eddy County, New Mexico

Dear Mr. Yates:

To date, we have not received a response from you regarding your participation in the subject proposed well. Although we would like to avoid the necessity for compulsory pooling, we have scheduled a compulsory pooling hearing for the captioned land and well for July 26, 2001 as referenced in Mr. James Bruce's notice letter dated July 3, 2001.

In the event you elect not to participate in the subject well, we would be agreeable to acquiring your interest in the captioned land on reasonable terms in lieu of force pooling.

In reference to the above, please respond at your earliest convenience regarding your desire to participate in the subject well.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

June 19, 2001

Cibola Energy Corporation and Jalapeno Corporation P.O. Box 1608 Albuquerque, New Mexico 87103

Attn: Mr. Harvey E. Yates, Jr.

Re: Esperanza "15" State Com. #1 Well

E/2 of Section 15, T21S, R27E Eddy County, New Mexico

Dear Mr. Yates:

Regarding the captioned proposed well, enclosed for your file is a copy of the signature pages of that certain JOA dated April 25, 2001 as executed by Marbob Energy Corporation and Tenison Oil Company.

In the event Cibola Energy Corporation and Jalapeno Corporation elects to participate in the subject well as proposed, we would appreciate receiving the executed JOA and AFE as was previously furnished you at the earliest possible date.

Should you have any questions regarding the proposed well, please call me.

Sincerely yours,

MEWBOURNE OIL COMPANY

D. Paul Haden Senior Landman

■ 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: Cibola Energy Corporation and Jalapeno Corporation P.O. Box 1608 Albuquerque, N.M. 87103 SdS Albuquerque, N.M. 87103 SdS Attn: Mr. Harvey E. Yales, Mill Registered Return Receipt for Merchandise Registered Return Receipt for Merchandise Insured Mail C.O.D. 1. Restricted Delivery? (Extra Fee) Yes		COMPLETE THE SECTION ON DELIVERY	
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: Cibola Energy Corporation and Jalapeno Corporation P.O. Box 1608 Albuquerque, N.M. 87103 Sds Albuquerque, N.M. 87103 Sds Attn: Mr. Harvey E. Yares, Mill Registered Return Receipt for Merchandise Insured Mail C.O.D. 3. Service Type A Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. 4. Restricted Delivery? (Extra Fee) Yes 2. Article Number (Copy from service label)	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
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wood is a

500 W. TEXAS, SUITE 1020 MIDLAND, TEXAS 79701

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

May 30, 2001

[Certified Mail-Return Receipt Requested Z471130633]

Cibola Energy Corporation and Jalapeno Corporation P.O. Box 1608 Albuquerque, N.M. 87103 Attn: Mr. Harvey E. Yates, Jr.

Re: Esperanza "15" State Com. #1 Well

2232' FSL & 1980' FEL Section 15, T21S, R27E Eddy County, New Mexico

Gentlemen:

Mewbourne Oil Company (Mewbourne), as Operator hereby proposes drilling the captioned well at the captioned location to a depth sufficient to adequately evaluate the Morrow formation, estimated total depth being 11,800' beneath the surface. The E/2 of the captioned Section 15 will be dedicated to the well.

Enclosed for your further handling regarding the above well proposal are two (2) copies of our AFE dated April 23, 2001 and duplicate originals of our Operating Agreement dated April 25, 2001. In the event you elect to join Mewbourne in the proposed well, please sign and return one (1) copy of the enclosed AFE and one (1) original of the Operating Agreement to me at your earliest convenience.

In the event Cibola Energy Corporation (Cibola) and Jalapeno Corporation (Jalapeno) elects not to participate in the proposed well, Mewbourne would be interested in acquiring a two (2) year term assignment from Cibola and Jalapeno on the basis of \$200.00 per acre wherein Mewbourne would be delivered a 80% net revenue interest. Should you have any questions regarding the above, please do not hesitate to call.

Sincerely yours,

MEWBQURNE, OIL COMPANY

D. Paul Haden Senior Landman