

Exhibits 1 through 19  
Complete Set

S/2 of Sec. 1

Mewbourne Oil Company  
May 15, 1991  
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Department of the Interior, Bureau of Land Management, State Office at Santa Fe, New Mexico, covering the period from August 28, 1990 at 9:00 a.m. to March 11, 1991 at 9:00 a.m., containing 11 pages.

2. Abstract No. 91,107, certified by Currier Abstract Company as covering the mineral estate only of Section 1 for the period from September 7, 1990 at 8:00 a.m. to March 27, 1991 at 8:00 a.m., containing 10 pages.

INSTRUMENTS

- 1. Copy of Farmout Contract dated January 31, 1990 between Amoco Production Company and Mewbourne Oil Company.
- 2. Copy of Application for Permit to Drill dated November 8, 1990.
- 3. Copy of New Mexico Oil Conservation Division Compulsory Pooling Order No. R-9389 dated December 19, 1990.
- 4. Copy of letter dated December 27, 1990 from Exxon Company, U.S.A. to Mewbourne Oil Company.
- 5. Copy of Farmout Agreement dated January 22, 1991 between Atlantic Richfield Company and Mewbourne Oil Company.
- 6. Copy of letter dated January 28, 1991 from Mewbourne Oil Company to the New Mexico Oil Conservation Division.
- 7. Copy of Well Completion Report and Log dated March 18, 1991.
- 8. Copy of letter dated March 20, 1991 from Mewbourne Oil Company to Amoco Production Company.
- 9. Copy of letter dated March 20, 1991 from Mewbourne Oil Company to ARCO Oil and Gas Company.

Based upon examination of the foregoing and subject to the title requirements hereinafter made, we find that as of March 11, 1991 at 9:00 a.m. as to the federal records and March 27, 1991 at 8:00 a.m. as to the records of Eddy County, New Mexico, the oil and gas produced and saved from the base of the Abo Formation to the base of the Morrow Formation underlying captioned land are owned as follows:

DIVISION OF INTEREST

Before Payout:

United States of America	----	12-1/2%	-----	.1250000	RI
✓ Paul Slayton, whose wife is Patricia Slayton	-----	.625%	x 160/320	---	.0031250 ORI
✓ Mae McDonald Hawley, as her separate property	-----	.625%	x 160/320	---	.0031250 ORI
✓ Herbert F. Lowrey	-----	1/4 x 2-1/8%	x 160/320	-----	.0026564 ORI
✓ Clyde Guy & Sons, Inc.	-----	1/4 x 2-1/8%	x 160/320	-----	.0026564 ORI

✓ = EXECUTED RATIO OF 1/2 = COMMISSION



✓ Sandra Leigh Terry, a married woman dealing in her separate property --	$\frac{1}{3} \times \frac{1}{2} \times 2\frac{1}{8}\%$ $\times \frac{160}{320}$ -----	.0017708 ORI
✓ Barbara Kruse Frankenfield, a married woman dealing in her separate property --	$\frac{1}{3} \times \frac{1}{2} \times 2\frac{1}{8}\%$ $\times \frac{160}{320}$ -----	.0017708 ORI
✓ Susan Lynn Terry, a married woman dealing in her separate property --	$\frac{1}{3} \times \frac{1}{2} \times 2\frac{1}{8}\%$ $\times \frac{160}{320}$ -----	.0017708 ORI
✓ Ruth O. Hill, Trustee U.D.T. dated 9/20/83 -----	$\frac{1}{2} \times \frac{1}{3} \times .625\%$ $\times \frac{160}{320}$ -----	.0005208 ORI
✓ Ernest Jack Funk and Dorothy A. Funk, Trustees -----	$\frac{1}{2} \times \frac{1}{3} \times .625\%$ $\times \frac{160}{320}$ -----	.0005208 ORI
✓ Robert L. Huguley, Jr., as his separate property --	$\frac{1}{3} \times \frac{2}{3} \times .625\%$ $\times \frac{160}{320}$ -----	.0006944 ORI
✓ Robert L. Huguley, Sr. -----	$\frac{1}{3} \times \frac{2}{3} \times .625\%$ $\times \frac{160}{320}$ -----	.0006944 ORI
✓ Sharon Ann Huguley Childs, as her separate property --	$\frac{1}{3} \times \frac{2}{3} \times .625\%$ $\times \frac{160}{320}$ -----	.0006944 ORI
✓ <i>(John A. Hudson)</i> Joan Hudson Moore, as her separate property -----	$\frac{1}{8} \times \frac{1}{2} \times 1\% \times$ $\frac{160}{320}$ -----	.0003125 ORI
Jonel Susan Grasso, as her separate property -----	$\frac{1}{8} \times \frac{1}{2} \times 1\% \times$ $\frac{160}{320}$ -----	.0003125 ORI
✓ Jane Ann Hudson Davis, as her separate property --	$\frac{3}{4} \times \frac{1}{2} \times 1\% \times$ $\frac{160}{320}$ -----	.0018750 ORI
Atlantic Richfield Company --	$\frac{1}{2} \times (25\% \text{ less } 17\%) \times \frac{160}{320}$ ---	.0200000 ORI
Amoco Production Company ----	$\frac{1}{2} \times (26\% \text{ less } 17\%) \times \frac{160}{320}$ ---	.0225000 ORI
Mewbourne Oil Company -----	$\frac{7}{8} \times \frac{160}{320}$ less $4.5\% \times$ $\frac{160}{320}$ and less $\frac{1}{2} \times 8\% \times \frac{160}{320}$ and less $\frac{1}{2} \times 9\%$ $\times \frac{160}{320}$ plus $\frac{7}{8}$ $\times \frac{160}{320}$ -----	<u>.8100000</u> WI 1.0000000

NOTE: 1. The royalty interest, overriding royalty interests of Atlantic Richfield Company and Amoco Production Company, and

working interest are subject to change by virtue of the sliding scale royalty interests provided for in Lease Nos. 1 and 2.

2. Payout is defined in Farmout Agreement No. 2 described below.

After 100% Payout:

United States of America	----	12-1/2%	-----	.1250000	RI
Paul Slayton, whose wife is Patricia Slayton	-----	.625%	x 160/320 --	.0031250	ORI
Mae McDonald Hawley, as her separate property	-----	.625%	x 160/320 --	.0031250	ORI
Herbert F. Lowrey	-----	1/4 x 2-1/8%	x 160/320 -----	.0026564	ORI
Clyde Guy & Sons, Inc.	-----	1/4 x 2-1/8%	x 160/320 -----	.0026564	ORI
Sandra Leigh Terry, a married woman dealing in her separate property	--	1/3 x 1/2 x 2-1/8%	x 160/320 -----	.0017708	ORI
Barbara Kruse Frankenfield, a married woman dealing in her separate property	--	1/3 x 1/2 x 2-1/8%	x 160/320 -----	.0017708	ORI
Susan Lynn Terry, a married woman dealing in her separate property	--	1/3 x 1/2 x 2-1/8%	x 160/320 -----	.0017708	ORI
Ruth O. Hill, Trustee U.D.T. dated 9/20/83	-----	1/2 x 1/3 x .625%	x 160/320 -----	.0005208	ORI
Ernest Jack Funk and Dorothy A. Funk, Trustees	-----	1/2 x 1/3 x .625%	x 160/320 -----	.0005208	ORI
Robert L. Huguley, Jr., as his separate property	--	1/3 x 2/3 x .625%	x 160/320 -----	.0006944	ORI
Robert L. Huguley, Sr.	-----	1/3 x 2/3 x .625%	x 160/320 -----	.0006944	ORI
Sharon Ann Huguley Childs, as her separate property	--	1/3 x 2/3 x .625%	x 160/320 -----	.0006944	ORI
Joan Hudson Moore, as her separate property	-----	1/8 x 1/2 x 1% x	160/320 -----	.0003125	ORI
Jonel Susan Grasso, as her separate property	-----	1/8 x 1/2 x 1% x	160/320 -----	.0003125	ORI

Jane Ann Hudson Davis,  
as her separate property --  $\frac{3}{4} \times \frac{1}{2} \times 1\% \times$   
 $\frac{160}{320}$  ----- .0018750 ORI

Amoco Production Company ----  $\frac{1}{2} \times (26\% \text{ less}$   
 $17\%) \times \frac{160}{320}$  --- .0225000 ORI

Mewbourne Oil Company -----  $\frac{1}{2} \times \frac{7}{8} \times \frac{160}{320}$   
plus  $75\% \times \frac{1}{2} \times$   
 $\frac{7}{8} \times \frac{160}{320}$  less  
 $\frac{1}{2} \times 4.5\% \times \frac{160}{320}$   
and less  $75\% \times \frac{1}{2} \times$   
 $4.5\% \times \frac{160}{320}$  and  
less  $\frac{1}{2} \times 9\% \times$   
 $\frac{160}{320}$  plus  $\frac{7}{8} \times$   
 $\frac{160}{320}$  ----- .7781250 WI

Atlantic Richfield Company --  $25\% \times \frac{1}{2} \times \frac{7}{8} \times$   
 $\frac{160}{320}$  less  $25\%$   
 $\times \frac{1}{2} \times 4.5\% \times$   
 $\frac{160}{320}$  ----- .0518750 WI  
1.0000000

NOTE: (1) The division of interest set forth above assumes conversion by Atlantic Richfield Company of its overriding royalty interest to a working interest at payout as defined in Farmout Agreement No. 2 described below.

(2) The royalty interest, overriding royalty interest of Amoco Production Company, and working interests are subject to change by virtue of the sliding scale royalty interests provided for in Lease Nos. 1 and 2.

After Recovery of 200% of Reasonable Well Costs:

United States of America ----  $12\text{-}\frac{1}{2}\%$  ----- .1250000 RI

Paul Slayton, whose wife  
is Patricia Slayton -----  $.625\% \times \frac{160}{320}$  -- .0031250 ORI

Mae McDonald Hawley, as  
her separate property -----  $.625\% \times \frac{160}{320}$  -- .0031250 ORI

Herbert F. Lowrey -----  $\frac{1}{4} \times 2\text{-}\frac{1}{8}\% \times$   
 $\frac{160}{320}$  ----- .0026564 ORI

Clyde Guy & Sons, Inc. -----  $\frac{1}{4} \times 2\text{-}\frac{1}{8}\% \times$   
 $\frac{160}{320}$  ----- .0026564 ORI

Sandra Leigh Terry, a  
married woman dealing  
in her separate property --  $\frac{1}{3} \times \frac{1}{2} \times 2\text{-}\frac{1}{8}\%$   
 $\times \frac{160}{320}$  ----- .0017708 ORI

Barbara Kruse Frankenfield,  
a married woman dealing  
in her separate property --  $\frac{1}{3} \times \frac{1}{2} \times 2\text{-}\frac{1}{8}\%$   
 $\times \frac{160}{320}$  ----- .0017708 ORI

Susan Lynn Terry, a  
married woman dealing  
in her separate property --  $\frac{1}{3} \times \frac{1}{2} \times 2\text{-}\frac{1}{8}\%$   
 $\times \frac{160}{320}$  ----- .0017708 ORI

Ruth O. Hill, Trustee U.D.T. dated 9/20/83 -----	1/2 x 1/3 x .625% x 160/320 -----	.0005208 ORI
Ernest Jack Funk and Dorothy A. Funk, Trustees -----	1/2 x 1/3 x .625% x 160/320 -----	.0005208 ORI
Robert L. Huguley, Jr., as his separate property --	1/3 x 2/3 x .625% x 160/320 -----	.0006944 ORI
Robert L. Huguley, Sr. -----	1/3 x 2/3 x .625% x 160/320 -----	.0006944 ORI
Sharon Ann Huguley Childs, as her separate property --	1/3 x 2/3 x .625% x 160/320 -----	.0006944 ORI
Joan Hudson Moore, as her separate property -----	1/8 x 1/2 x 1% x 160/320 -----	.0003125 ORI
Jonel Susan Grasso, as her separate property -----	1/8 x 1/2 x 1% x 160/320 -----	.0003125 ORI
Jane Ann Hudson Davis, as her separate property --	3/4 x 1/2 x 1% x 160/320 -----	.0018750 ORI
Amoco Production Company ----	1/2 x (26% less 17%) x 160/320 ---	.0225000 ORI
Mewbourne Oil Company -----	1/2 x 7/8 x 160/320 plus 75% x 1/2 x 7/8 x 160/320 less 1/2 x 4.5% x 160/320 and less 75% x 1/2 x 4.5% x 160/320 and less 1/2 x 9% x 160/320 -----	.3406250 WI
Atlantic Richfield Company --	25% x 1/2 x 7/8 x 160/320 less 25% x 1/2 x 4.5% x 160/320 -----	.0518750 WI
Exxon Corporation -----	7/8 x 160/320 ----	.4375000 WI 1.0000000

NOTE: (1) The division of interest set forth above assumes conversion by Atlantic Richfield Company of its overriding royalty interest to a working interest.

(2) The royalty interest, overriding royalty interest of Amoco Production Company, and working interests are subject to change by virtue of the sliding scale royalty interests provided for in Lease Nos. 1 and 2.

(3) Payout for division of interest is defined in the Compulsory Pooling Order described below.

Mewbourne Oil Company  
September 4, 1992  
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64. Copy of Assignment effective April 17, 1992, unrecorded, from Ultramar Oil and Gas Limited to Mewbourne Oil Company.

Based upon examination of the foregoing and subject to the requirements hereinafter made, we find that as of June 1, 1992 at 8:00 a.m. as to the records of the Office of the Commissioner of Public Lands and June 22, 1992 at 8:00 a.m. as to the records of Eddy County, the hydrocarbons produced and saved from the Morrow formation underlying captioned land are owned as follows:

DIVISION OF INTEREST

Before Payout as Defined in Farmout Agreement Nos. 1, 10, 13, 18, 23, 25, and 26:

State of New Mexico (Lease Nos. 1, 2, 3, and 4) -----	1/8	----	.1250000	RI
Sunwest Bank of Albuquerque, N.A., Agent for the Aston Partnership (Lease No. 1) -----	12.5% x 1/54 x 207.52/334.98	----	.0014340	ORI
Sharon Aston Olsen, as Trustee of the Sharon Aston Olsen Trust dated July 31, 1981 (Lease No. 1) -----	12.5% x 1/90 x 207.52/334.98	----	.0008604	ORI
Cheedle Caviness and Elizabeth Caviness, as joint tenants with right of survivorship (Lease No. 1) -----	12.5% x 0.71262% x 207.52/334.98	----	.0005518	ORI
Harriett Hatch Trapani, as her separate property (Lease No. 1) -----	12.5% x 0.23398% x 207.52/334.98	----	.0001812	ORI
Carla Leet-Assaf, as her separate property (Lease No. 1) -----	12.5% x 0.12464% x 207.52/334.98	----	.0000965	ORI
Frederika A. Leet, as her separate property (Lease No. 1) -----	12.5% x 0.02906% x 207.52/334.98	----	.0000225	ORI
Ryan P. Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	----	.0003566	ORI

Carl F. Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	-----	.0003566 ORI
Jeannie Hatch Hutchison, as her separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	-----	.0003566 ORI
Glen F. Leet, Jr., as his separate property (Lease No. 1) -----	12.5% x 0.19082% x 207.52/334.98	-----	.0001478 ORI
Frank Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.40510% x 207.52/334.98	-----	.0003137 ORI
Carlsbad National Bank, as Trustee under the Will of Nelle G. Scheurich, Deceased (Lease No. 1) -----	12.5% x 1/24 x 207.52/334.98	-----	.0032266 ORI
H. M. Drake (Lease No. 1) -----	12.5% x 1/144 x 207.52/334.98	-----	.0005378 ORI
Henry Shaw (Lease No. 1) -----	12.5% x 1/144 x 207.52/334.98	-----	.0005378 ORI
Rogers Aston, as his separate property (Lease No. 1) -----	12.5% x 1/54 x 207.52/334.98	-----	.0014340 ORI
Lincoln Aston, as his separate property (Lease No. 1) -----	12.5% x 1/54 x 207.52/334.98	-----	.0014340 ORI
Rogers Aston and NationsBank of Texas, N.A., as Co-Trustees of the "C" Trusts under the Will of Bert Aston, Deceased (Lease No. 1) -----	12.5% x 4/90 x 207.52/334.98	-----	.0034417 ORI
Enron Oil & Gas Company (Lease No. 1) -----	12.5% x 7/8 x 50% x 2/3 x 207.52/334.98	-----	.0225859 ORI



Phillips Petroleum Company (Lease No. 2) -----	12.5% x 43.66/334.98	-----	.0162920 ORI
Comet Petroleum, Inc. (Lease No. 3) -----	2% x 1/64 x 40.00/334.98	-----	.0000373 ORI
Ultramar Oil and Gas Limited (Lease No. 3) -----	2% x 1/4 x 40.00/334.98	-----	.0005971 ORI
Betty Bebe Brooks Bourland, as her separate property (Lease No. 3) -----	1/4 x 6% x 7/8 x 40.00/334.98	-----	.0015673 ORI
Lillie Greene Beaver (Lease No. 3) -----	1/4 x 6% x 7/8 x 40.00/334.98	-----	.0015673 ORI
Frances C. Smith, whose husband is S. E. Smith (Lease No. 3) --	32.5% x 1/2 x 6% x 7/8 x 40.00/334.98	-----	.0010187 ORI
Marshall Petroleum, Inc. (Lease No. 3) --	67.5% x 1/2 x 6% x 7/8 x 40.00/334.98	-----	.0021158 ORI
T. J. Brown (Lease No. 3) -----	2% x 1/64 x 40.00/334.98	-----	.0000373 ORI
Atlantic Richfield Company (Lease Nos. 3 and 4) -----	(4% x 5/128 minus 7.5% x 0.0021391) 40.00/334.98 plus 14.5% x 43.80/334.98	-----	.0191268 ORI*
Franklin Energy Partners (Lease No. 3) --	7.5% x 0.0021391 x 40.00/334.98	-----	.0000192 ORI
Gordon George Marcum (Lease No. 3) -----	2% x 1/48 x 40.00/334.98	-----	.0000498 ORI
Denver Delton Marcum (Lease No. 3) -----	2% x 1/48 x 40.00/334.98	-----	.0000498 ORI

Marla Jo Schmid, as  
her separate property  
(Lease No. 3) -----

2% x 1/320  
x 40.00/334.98 ----- .0000075 ORI

Hugh Munn  
(Lease No. 3) -----

2% x 1/32  
x 40.00/334.98 ----- .0000746 ORI

A. H. Hedden,  
whose wife is  
Madelon Hedden  
(Lease No. 3) -----

2% x 1/64  
x 40.00/334.98 ----- .0000373 ORI

Madelon Hedden,  
as her separate  
property  
(Lease No. 3) -----

2% x 1/64  
x 40.00/334.98 ----- .0000373 ORI

Read & Stevens,  
Inc.

(Lease No. 1) -- 1/8 x 50% x 2/3 x 7/8  
x 207.52/334.98 ----- .0225859 WI

Mewbourne Oil  
Company  
(Lease Nos. 1,  
2, 3, and 4) -----

46.92219% x 7/8  
x 207.52/334.98  
plus 48.91111% x 75%  
x 207.52/334.98  
plus 75% x 43.66/334.98  
plus 1/2 x 7/8 x 40.00/334.98  
plus 7.23958% x 77% x 40.00/334.98  
plus 38.85417% x 75% x 40.00/334.98  
plus 5/128 x 73% x 40.00/334.98  
plus 73% x 43.80/334.98 ----- .7719035 WI

1.0000000

\*The interest of Atlantic Richfield Company in Lease No.  
3 is subject to the following:

- (1) A net profit production payment owned in equal shares by Phoenix Mutual Life Insurance Company and New York Life Insurance and Annuity Corporation equal to 65% of 12.4262% of 5/128 as more particularly described in Assignment No. 98. The production payment becomes effective upon payout as defined in the instrument and terminates on July 31, 2008. It is not clear from the instrument whether the farmout by Atlantic Richfield Company to Mewbourne Oil Company affects the share of production of the owners of this interest.
- (2) A net profits overriding royalty interest owned by Sixty Corp. equal to 87% before payout and 65% after payout as defined in the instrument of 27.272727% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 101. It appears that in the event of a farmout by the

assignor or its successors, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 27.272727% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.

- (3) A net profits overriding royalty interest owned by GEAPPL Corp. equal to 87% before payout and 65% after payout as defined in the instrument of 68.181818% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 102. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 68.181818% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.
- (4) A net profits overriding royalty interest owned by American Net Profits Partnership - VII, Ltd. equal to 87% before payout and 65% after payout as defined in the instrument of 4.545455% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 103. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 4.545455% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.
- (5) A net profits overriding royalty interest owned by New York Life Oil & Gas Net Profits Production Partnership III-B equal to 34.41203% of 2.3769501% of 5/128 as more particularly described in Assignment No. 105. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 34.41203% of 2.3769501% of the net revenue interest reserved under the farmout agreement without deduction for costs.

These assignments are the subject of Requirement No. 36 below.

After Payout as Defined in Farmout Agreement Nos. 1, 10, 13, 18, 23, 25, and 26 but Before Recovery of the Non-Consent Penalty Set Forth in Forced-Pooling Order No. R-9631:

State of New Mexico  
(Lease Nos. 1, 2, 3,  
and 4) -----

1/8 ---- .1250000 RI

Sunwest Bank of  
Albuquerque, N.A.,  
Agent for the Aston  
Partnership  
(Lease No. 1) -----

12.5% x 1/54  
x 207.52/334.98 ---- .0014340 ORI

Sharon Aston Olsen, as Trustee of the Sharon Aston Olsen Trust dated July 31, 1981 (Lease No. 1) -----	12.5% x 1/90 x 207.52/334.98	-----	.0008604 ORI
Cheedle Caviness and Elizabeth Caviness, as joint tenants with right of survivorship (Lease No. 1) -----	12.5% x 0.71262% x 207.52/334.98	-----	.0005518 ORI
Harriett Hatch Trapani, as her separate property (Lease No. 1) -----	12.5% x 0.23398% x 207.52/334.98	-----	.0001812 ORI
Carla Leet-Assaf, as her separate property (Lease No. 1) -----	12.5% x 0.12464% x 207.52/334.98	-----	.0000965 ORI
Frederika A. Leet, as her separate property (Lease No. 1) -----	12.5% x 0.02906% x 207.52/334.98	-----	.0000225 ORI
Ryan P. Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	-----	.0003566 ORI
Carl F. Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	-----	.0003566 ORI
Jeannie Hatch Hutchison, as her separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	-----	.0003566 ORI
Glen F. Leet, Jr., as his separate property (Lease No. 1) -----	12.5% x 0.19082% x 207.52/334.98	-----	.0001478 ORI
Frank Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.40510% x 207.52/334.98	-----	.0003137 ORI
Carlsbad National Bank, as Trustee under the Will of Nelle G. Scheurich, Deceased (Lease No. 1) -----	12.5% x 1/24 x 207.52/334.98	-----	.0032266 ORI

H. M. Drake (Lease No. 1) -----	12.5% x 1/144 x 207.52/334.98	-----	.0005378 ORI
Henry Shaw (Lease No. 1) -----	12.5% x 1/144 x 207.52/334.98	-----	.0005378 ORI
Betty Bebe Brooks Bourland, as her separate property (Lease No. 3) -----	1/4 x 6% x 7/8 x 40.00/334.98	-----	.0015673 ORI
Lillie Greene Beaver (Lease No. 3) -----	1/4 x 6% x 7/8 x 40.00/334.98	-----	.0015673 ORI
Frances C. Smith, whose husband is S. E. Smith (Lease No. 3) --	32.5% x 1/2 x 6% x 7/8 x 40.00/334.98	-----	.0010187 ORI
Marshall Petroleum, Inc. (Lease No. 3) --	67.5% x 1/2 x 6% x 7/8 x 40.00/334.98	-----	.0021158 ORI
T. J. Brown (Lease No. 3) -----	2% x 1/64 x 40.00/334.98	-----	.0000373 ORI
Atlantic Richfield Company (Lease Nos. 3 and 4) -----	(4% x 5/128 minus 7.5% x 0.0021391) 40.00/334.98 plus 14.5% x 43.80/334.98	-----	.0191268 ORI*
Franklin Energy Partners (Lease No. 3) -----	7.5% x 0.0021391 x 40.00/334.98	-----	.0000192 ORI
Gordon George Marcum (Lease No. 3) -----	2% x 1/48 x 40.00/334.98	-----	.0000498 ORI
Denver Delton Marcum (Lease No. 3) -----	2% x 1/48 x 40.00/334.98	-----	.0000498 ORI
Marla Jo Schmid, as her separate property (Lease No. 3) -----	2% x 1/320 x 40.00/334.98	-----	.0000075 ORI

Hugh Munn (Lease No. 3) -----	2% x 1/32 x 40.00/334.98 -----	.0000746 ORI
A. H. Hedden, whose wife is Madelon Hedden (Lease No. 3) -----	2% x 1/64 x 40.00/334.98 -----	.0000373 ORI
Madelon Hedden, as her separate property (Lease No. 3) -----	2% x 1/64 x 40.00/334.98 -----	.0000373 ORI
Enron Oil & Gas Company (Lease No. 1) --	25% x 7/8 x 50% x 2/3 7/8 x 207.52/334.98 -----	.0395254 WI
Read & Stevens, Inc. (Lease No. 1) --	1/8 x 50% x 2/3 x 7/8 x 207.52/334.98 -----	.0225859 WI
Rogers Aston, as his separate property (Lease No. 1) -----	25% x 1/54 x 7/8 x 207.52/334.98 -----	.0025095 WI
Lincoln Aston, as his separate property (Lease No. 1) -----	25% x 1/54 x 7/8 x 207.52/334.98 -----	.0025095 WI
Rogers Aston and NationsBank of Texas, N.A., as Co-Trustees of the "C" Trusts under the Will of Bert Aston, Deceased (Lease No. 1) -----	25% x 4/90 x 7/8 x 207.52/334.98 -----	.0060229 WI
Phillips Petroleum Company (Lease No. 2) -----	25% x 7/8 x 43.66/334.98 -----	.0285110 WI
Ultramar Oil and Gas Limited (Lease No. 3) -----	25% x 1/4 x 77% x 40.00/334.98 -----	.0057466 WI
Comet Petroleum, Inc. (Lease No. 3) -----	25% x 1/64 x 77% x 40.00/334.98 -----	.0003592 WI

Mewbourne Oil  
Company

(Lease Nos. 1,  
2, 3, and 4) ----- 74.90831% x 7/8  
x 207.52/334.98  
plus 11.59630% x 75%  
x 207.52/334.98  
plus 75% x 7/8 x 43.66/334.98  
plus 1/2 x 7/8 x 40.00/334.98  
plus 27.16146% x 77% x 40.00/334.98  
plus 12.29167% x 75% x 40.00/334.98  
plus 5/128 x 73% x 40.00/334.98  
plus 73% x 43.80/334.98 ---- .7325414 WI

1.0000000

\*The interest of Atlantic Richfield Company in Lease No.  
3 is subject to the following:

- (1) A net profit production payment owned in equal shares by Phoenix Mutual Life Insurance Company and New York Life Insurance and Annuity Corporation equal to 65% of 12.4262% of 5/128 as more particularly described in Assignment No. 98. The production payment becomes effective upon payout as defined in the instrument and terminates on July 31, 2008. It is not clear from the instrument whether the farmout by Atlantic Richfield Company to Mewbourne Oil Company affects the share of production of the owners of this interest.
- (2) A net profits overriding royalty interest owned by Sixty Corp. equal to 87% before payout and 65% after payout as defined in the instrument of 27.272727% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 101. It appears that in the event of a farmout by the assignor or its successors, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 27.272727% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.
- (3) A net profits overriding royalty interest owned by GEAPPL Corp. equal to 87% before payout and 65% after payout as defined in the instrument of 68.181818% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 102. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 68.181818% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.
- (4) A net profits overriding royalty interest owned by American Net Profits Partnership - VII, Ltd. equal to 87% before payout and 65% after payout as defined in the instrument of 4.545455% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 103. It appears that in the event of a farmout by the assignor or its

successor, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 4.545455% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.

- (5) A net profits overriding royalty interest owned by New York Life Oil & Gas Net Profits Production Partnership III-B equal to 34.41203% of 2.3769501% of 5/128 as more particularly described in Assignment No. 105. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 34.41203% of 2.3769501% of the net revenue interest reserved under the farmout agreement without deduction for costs.

These assignments are the subject of Requirement No. 36 below.

NOTE: The after payout division of interest assumes that Enron Oil & Gas Company, Rogers Aston, Lincoln Aston, Rogers Aston and NationsBank of Texas, N.A., as Co-Trustees of the "C" Trusts under the Will of Bert Aston, Deceased, Phillips Petroleum Company, Ultramar Oil and Gas Limited, and Comet Petroleum, Inc. elect to convert their overriding royalty interests to working interests.

After Recovery of the Non-Consent Penalty Set Forth in Forced-  
Pooling Order No. R-9631:

State of New Mexico (Lease Nos. 1, 2, 3, and 4) -----	1/8 ----	.1250000 RI
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Sunwest Bank of Albuquerque, N.A., Agent for the Aston Partnership (Lease No. 1) -----	12.5% x 1/54 x 207.52/334.98 ----	.0014340 ORI
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Sharon Aston Olsen, as Trustee of the Sharon Aston Olsen Trust dated July 31, 1981 (Lease No. 1) -----	12.5% x 1/90 x 207.52/334.98 ----	.0008604 ORI
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Cheedle Caviness and Elizabeth Caviness, as joint tenants with right of survivorship (Lease No. 1) -----	12.5% x 0.71262% x 207.52/334.98 ----	.0005518 ORI
--	--	--------------

Harriett Hatch Trapani, as her separate property (Lease No. 1) -----	12.5% x 0.23398% x 207.52/334.98 ----	.0001812 ORI
---	--	--------------



Carla Leet-Assaf, as her separate property (Lease No. 1) -----	12.5% x 0.12464% x 207.52/334.98	----- .0000965 ORI
Frederika A. Leet, as her separate property (Lease No. 1) -----	12.5% x 0.02906% x 207.52/334.98	----- .0000225 ORI
Ryan P. Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	----- .0003566 ORI
Carl F. Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	----- .0003566 ORI
Jeannie Hatch Hutchison, as her separate property (Lease No. 1) -----	12.5% x 0.46052% x 207.52/334.98	----- .0003566 ORI
Glen F. Leet, Jr., as his separate property (Lease No. 1) -----	12.5% x 0.19082% x 207.52/334.98	----- .0001478 ORI
Frank Hatch, as his separate property (Lease No. 1) -----	12.5% x 0.40510% x 207.52/334.98	----- .0003137 ORI
Carlsbad National Bank, as Trustee under the Will of Nelle G. Scheurich, Deceased (Lease No. 1) -----	12.5% x 1/24 x 207.52/334.98	----- .0032266 ORI
H. M. Drake (Lease No. 1) -----	12.5% x 1/144 x 207.52/334.98	----- .0005378 ORI
Henry Shaw (Lease No. 1) -----	12.5% x 1/144 x 207.52/334.98	----- .0005378 ORI
Betty Bebe Brooks Bourland, as her separate property (Lease No. 3) -----	1/4 x 6% x 7/8 x 40.00/334.98	----- .0015673 ORI
Lillie Greene Beaver (Lease No. 3) -----	1/4 x 6% x 7/8 x 40.00/334.98	----- .0015673 ORI

Frances C. Smith, whose husband is S. E. Smith (Lease No. 3)	-- 32.5% x 1/2 x 6% x 7/8 x 40.00/334.98	----	.0010187 ORI
Marshall Petroleum, Inc. (Lease No. 3)	-- 67.5% x 1/2 x 6% x 7/8 x 40.00/334.98	----	.0021158 ORI
T. J. Brown (Lease No. 3)	----- 2% x 1/64 x 40.00/334.98	----	.0000373 ORI
Atlantic Richfield Company (Lease Nos. 3 and 4)	----- (4% x 5/128 minus 7.5% x 0.0021391) x 40.00/334.98 plus 14.5% x 43.80/334.98	----	.0191268 ORI*
Franklin Energy Partners (Lease No. 3)	----- 7.5% x 0.0021391 x 40.00/334.98	----	.0000192 ORI
Gordon George Marcum (Lease No. 3)	----- 2% x 1/48 x 40.00/334.98	----	.0000498 ORI
Denver Delton Marcum (Lease No. 3)	----- 2% x 1/48 x 40.00/334.98	----	.0000498 ORI
Marla Jo Schmid, as her separate property (Lease No. 3)	----- 2% x 1/320 x 40.00/334.98	----	.0000075 ORI
Hugh Munn (Lease No. 3)	----- 2% x 1/32 x 40.00/334.98	----	.0000746 ORI
A. H. Hedden, whose wife is Madelon Hedden (Lease No. 3)	----- 2% x 1/64 x 40.00/334.98	----	.0000373 ORI
Madelon Hedden, as her separate property (Lease No. 3)	----- 2% x 1/64 x 40.00/334.98	----	.0000373 ORI

Enron Oil & Gas Company (Lease No. 1)	--	25% x 7/8 x 50% x 2/3 7/8 x 207.52/334.98	----	.0395254	WI
Read & Stevens, Inc. (Lease No. 1)	--	1/8 x 50% x 2/3 x 7/8 x 207.52/334.98	----	.0225859	WI
Rogers Aston, as his separate property (Lease No. 1)	----	25% x 1/54 x 7/8 x 207.52/334.98	----	.0025095	WI
Lincoln Aston, as his separate property (Lease No. 1)	-----	25% x 1/54 x 7/8 x 207.52/334.98	----	.0025095	WI
Rogers Aston and NationsBank of Texas, N.A., as Co-Trustees of the "C" Trusts under the Will of Bert Aston, Deceased (Lease No. 1)	-----	25% x 4/90 x 7/8 x 207.52/334.98	----	.0060229	WI
The Regents of the University of New Mexico, Carl A. Hatch Professorship of Law and Public Administration Fund (Lease No. 1)	-----	2.01855% x 7/8 x 207.52/334.98	----	.0109418	WI
Victoria Hatch Pereira, as her separate property (Lease No. 1)	-----	0.45920% x 7/8 x 207.52/334.98	----	.0024891	WI
Phillips Petroleum Company (Lease No. 2)	-----	25% x 7/8 x 43.66/334.98	----	.0285110	WI
Ultramar Oil and Gas Limited (Lease No. 3)	-----	25% x 1/4 x 77% x 40.00/334.98	----	.0057466	WI
Comet Petroleum, Inc. (Lease No. 3)	-----	25% x 1/64 x 77% x 40.00/334.98	----	.0003592	WI

Louis F. Polk (Lease No. 3) -----	3/128 x 77% x 40.00/334.98 -----	.0021550	WI
Dorothy Claudene Marcum Topliff, as her separate property (Lease No. 3) -----	7/480 x 77% x 40.00/334.98 -----	.0013409	WI
Judith Ann Moats Gilchrist, as her separate property (Lease No. 3) -----	1/320 x 77% x 40.00/334.98 -----	.0002873	WI
Arthur L. Owen (Lease No. 3) -----	1/64 x 77% x 40.00/334.98 -----	.0014367	WI
Mewbourne Oil Company (Lease Nos. 1, 2, 3, and 4) -----	72.43056% x 7/8 x 207.52/334.98 plus 11.59630% x 75% x 207.52/334.98 plus 75% x 7/8 x 43.66/334.98 plus 1/2 x 7/8 x 40.00/334.98 plus 21.48438% x 77% x 40.00/334.98 plus 12.29167% x 75% x 40.00/334.98 plus 5/128 x 73% x 40.00/334.98 plus 73% x 43.80/334.98 -----	<u>.7138906</u>	
		1.0000000	

\*The interest of Atlantic Richfield Company in Lease No. 3 is subject to the following:

- (1) A net profit production payment owned in equal shares by Phoenix Mutual Life Insurance Company and New York Life Insurance and Annuity Corporation equal to 65% of 12.4262% of 5/128 as more particularly described in Assignment No. 98. The production payment becomes effective upon payout as defined in the instrument and terminates on July 31, 2008. It is not clear from the instrument whether the farmout by Atlantic Richfield Company to Mewbourne Oil Company affects the share of production of the owners of this interest.
- (2) A net profits overriding royalty interest owned by Sixty Corp. equal to 87% before payout and 65% after payout as defined in the instrument of 27.272727% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 101. It appears that in the event of a farmout by the assignor or its successors, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 27.272727% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.

- (3) A net profits overriding royalty interest owned by GEAPPL Corp. equal to 87% before payout and 65% after payout as defined in the instrument of 68.181818% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 102. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 68.181818% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.
- (4) A net profits overriding royalty interest owned by American Net Profits Partnership - VII, Ltd. equal to 87% before payout and 65% after payout as defined in the instrument of 4.545455% of 5.126504% of 35.4901% of 5/128 as more particularly described in Assignment No. 103. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 87% or 65% as applicable of 4.545455% of 5.126504% of 35.4901% of the net revenue interest reserved under the farmout agreement without deduction for costs.
- (5) A net profits overriding royalty interest owned by New York Life Oil & Gas Net Profits Production Partnership III-B equal to 34.41203% of 2.3769501% of 5/128 as more particularly described in Assignment No. 105. It appears that in the event of a farmout by the assignor or its successor, the assignee is entitled to an overriding royalty interest equal to 34.41203% of 2.3769501% of the net revenue interest reserved under the farmout agreement without deduction for costs.

These assignments are the subject of Requirement No. 36 below.

NOTE: The after payout division of interest assumes that Enron Oil & Gas Company, Rogers Aston, Lincoln Aston, Rogers Aston and NationsBank of Texas, N.A., as Co-Trustees of the "C" Trusts under the Will of Bert Aston, Deceased, Phillips Petroleum Company, Ultramar Oil and Gas Limited, and Comet Petroleum, Inc. elect to convert their overriding royalty interests to working interests.

#### EXISTING OIL AND GAS LEASES

Lease No. 1:

Serial No.:	B-11594.
Dated:	November 10, 1944.
Recorded:	Book 185, Page 543, Miscellaneous Records.
Lessor:	The State of New Mexico, acting by and through its Commissioner of Public Lands.
Lessee:	Bert Aston.

N/2 of Sec. 1

ABSTRACTS

1. Abstract No. 45185, certified by Federal Abstract Company as covering the Plat Book Records, Historical Index Records, Serial Record, and Case File of Leases LC 062412, NM 0557371, and NM 016788 in the United State Department of the Interior, Bureau of Land Management State Office at Santa Fe, New Mexico, pertaining to all of Section 1, for the period from August 28, 1990, at 9 a.m., to March 11, 1991, at 9 a.m., containing 11 pages.
2. Abstract No. 45488, certified by Federal Abstract Company as covering the Plat Book Records, Historical Index Records, Serial Record, and Case File of Leases LC 062412, and NM 0557371, in the United State Department of the Interior, Bureau of Land Management State Office at Santa Fe, New Mexico, pertaining to captioned land, for the period from March 11, 1991, at 9 a.m., to August 26, 1991, at 9 a.m., containing 8 pages.
3. Abstract No. 91107, certified by Currier Abstract Company as covering the mineral estate only of Section 1 for the period from September 7, 1990, at 8 a.m., to March 27, 1991, at 8 a.m., containing 10 pages.
4. Abstract No. 91349, certified by Currier Abstract Company as covering the mineral estate only of the N/2 of Section 1 for the period from March 27, 1991, at 8 a.m., to May 29, 1991, at 8 a.m., containing 14 pages.

INSTRUMENTS

1. Copy of Farmout Contract dated January 31, 1990, between Amoco Production Company and Mewbourne Oil Company.
2. Copy of Farmout Agreement dated April 29, 1991, between Atlantic Richfield Company and Mewbourne Oil Company.
3. Copy of Well Completion Report, Form 3160-4, dated September 3, 1991, regarding the Chalk Bluff Federal No. 2 well.

Based upon examination of the foregoing and subject to the title requirements hereinafter made, we find that as of August 26, 1991, at 9 a.m., as to the Federal Records, and May 29, 1991, at 8 a.m., as to the Records of Eddy County, New Mexico, the oil and gas produced and saved from the base of the Abo Formation to the base of the Morrow Formation underlying captioned land are owned as follows:

DIVISION OF INTEREST

	<u>Before Payout*</u>	<u>After Payout*</u>
United State of America	.1250000 RI**	.1250000 RI**
EXECUTED RATIF. — Paul Slayton, whose wife is Patricia Slayton	.0062500 ORI**	.0062500 ORI**
EXECUTED RATIF. { MAE McDONALD HAWLEY 1/2 FRANK E. HAWLEY 1/2 Mae McDonald Hawley, as her separate property	.0062500 ORI	.0062500 ORI
EXECUTED RATIF. — Herbert F. Lowrey	.0053125 ORI	.0053125 ORI
EXECUTED RATIF. — Clyde Guy & Sons, Inc.	.0053125 ORI	.0053125 ORI



<i>Executed Rat</i> - Sandra Leigh Terry, as her separate property	.0035417 ORI	.0035417 ORI
<i>Executed Rat</i> - Barbara Kruse Frankenfield, as her separate property	.0035417 ORI	.0035417 ORI
<i>Executed Rat</i> - Susan Lynn Terry, as her separate property	.0035416 ORI	.0035416 ORI
<i>Executed RATIF.</i> - Ruth O. Hill, Trustee under Declaration of Trust dated September 20, 1983	.0010417 ORI	.0010417 ORI
<i>Executed Rat</i> - Ernest Jack Funk and Dorothy A. Funk, Trustees	.0010417 ORI	.0010417 ORI
<i>Executed RATIF.</i> - Robert L. Huguley, Jr., as his separate property	.0013889 ORI	.0013889 ORI
<i>Executed RAT.</i> - Robert L. Huguley, Sr.	.0013889 ORI	.0013889 ORI
<i>Executed RATIF</i> - Sharon Ann Huguley Childs, as her separate property	.0013888 ORI	.0013888 ORI
<i>Executed RAT</i> - Joan Hudson Moore, as her separate property	.0006250 ORI	.0006250 ORI
Jonel Susan Grasso, as her separate property	.0006250 ORI	.0006250 ORI
Jane Ann Hudson Davis, as her separate property	.0037500 ORI	.0037500 ORI
Amoco Production Company	.045000 ORI**	.045000 ORI**
Atlantic Richfield Company	.0400000 ORI**	.1037500 WI**
Mewbourne Oil Company	.7450000 WI**	.6812500 WI**

Notes: \* The term "payout" is defined in that certain Farmout Agreement dated April 29, 1991, between Atlantic Richfield Company and Mewbourne Oil Company described below.

\*\* This interest is subject to change because of the sliding scale royalty interest provided for in the leases described below.

Case No. 10568  
OFFSET OWNERSHIP - OPERATING RIGHTS  
Chalk Bluff Federal No. 3 Well  
Below the Base of the Abo Formation

All of the following described tracts of land are located in Eddy County, New Mexico:

Tract 1: N/2 of Section 1, T18S, R27E:

1) Mewbourne Oil Company (Operator)

Tract 2: W/2 of Section 6, T18S, R28E:

1) Mewbourne Oil Company (Operator)

Tract 3: N/2 and SW/4 of Section 7, T18S, R28E:

1) Arco Oil and Gas Company (Operator)

P. O. Box 1610

Midland, Texas 79702

Tract 4: N/2 of Section 12, T18S, R27E:

1) Mewbourne Oil Company (Operator)

Tract 5: SE/4 of Section 11, T18S, R27E:

1) Amoco Production Company (Operator)

P. O. Box 3092

Houston, Texas 77253

Tract 6: N/2 of Section 11, T18S, R27E:

1) Mewbourne Oil Company

2) Arco Oil and Gas Company

Tract 7: SW/4SW/4 of Section 2, T18S, R27E:

1) Mewbourne Oil Company

Tract 8: N/2SW/4 and SE/4SW/4 of Section 2,  
T18S, R27E:

1) Mewbourne Oil Company

2) Arco Oil and Gas Company

Tract 9: S/2SE/4 of Section 2, T18S, R27E:

1) Mewbourne Oil Company

Tract 10: N/2SE/4 of Section 2, T18S, R27E:

1) Arco Oil and Gas Company

Tract 11: SW/4NE/4 of Section 2, T18S, R27E:

1) Devon Energy Corporation

1500 Mid-America Tower

20 North Broadway

Oklahoma City, Oklahoma 73102-8260

2) G. L. Wilbanks

2200 South Scurry Street

Big Spring, Texas 79720-5551

3) Beth Joanne Johnson

c/o 2200 South Scurry Street

Big Spring, Texas 79720-5551

BEFORE EXAMINER CATANACH

OIL CONSERVATION DIVISION

EXHIBIT NO. 1-A

Tract 12: SE/4NE/4 of Section 2, T18S, R27E:

1) Durham, Inc. (Operator)

P. O. Drawer 273

Midland, Texas 79702

Tract 13: Lot 2 (NW/4NE/4) of Section 2, T18S, R27E:

1) OXY USA Inc.

Box 50250

Midland, Texas 79710

Tract 14: Lot 1 (NE/4NE/4) of Section 2, T18S, R27E:

1) Devon Energy Corporation

2) G. L. Wilbanks

3) Beth Joanne Johnson



**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

APPLICATION OF MEWBOURNE OIL COMPANY  
FOR AN UNORTHODOX INFILL GAS WELL  
LOCATION AND SIMULTANEOUS DEDICATION,  
EDDY COUNTY, NEW MEXICO.

No. 10,568

# AFFIDAVIT REGARDING NOTICE

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF SANTA FE )

D. Paul Haden, being duly sworn upon his oath, deposes and states:

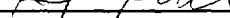
1. I am over the age of 18 and have personal knowledge of the matters stated herein.

2. I am a landman for Applicant herein.

3. Applicant has conducted a good faith, diligent effort to find the correct addresses of interest owners entitled to receive notice of the Application herein.

4. Notice of the Application was provided to the interest owners at their correct addresses by mailing them, by certified mail, a copy of the Application. Copies of the notice letter and certified return receipts are attached hereto as Exhibit A.

5. The notice provisions of Rule 1207 have been complied with.

  
D. Paul Haden

Subscribed and sworn to before me this 14th day of October, 1992, by D. Paul Haden.

*Brenda S. Crawford*  
Notary Public

My commission expires:

10-29-95

JGB5\92400.d

Notary Public  
BEFORE ME, \_\_\_\_\_  
OIL OF \_\_\_\_\_  
\_\_\_\_\_ 2  
CASE NO. \_\_\_\_\_

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

September 22, 1992

Arco Oil and Gas Company  
P. O. Box 1610  
Midland, Texas 79702

Attn: Mr. Kevin Stowe

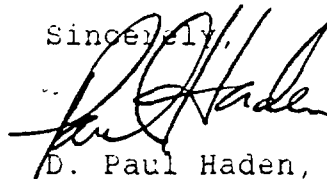
Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 8, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for infill drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,



D. Paul Haden, CPL  
Landman

PH/klc

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

Arco Oil and Gas Company  
P. O. Box 1610  
Midland, Texas 79702  
Attn: Kevin Stowe

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

*D. Paul Haden*  
D. Paul Haden, CPL  
Landman

PH/klc  
Enclosure

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the item from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. 2. <input type="checkbox"/> Restricted Delivery (Extra charge)	
3. Article Addressed to:  Arco Oil & Gas Co. P. O. Box 1610 Midland Texas 79702 Attn: Kevin Stowe  Chalk Bluff Fed #3	4. Article Number <b>P 080 146 799</b>  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and <b>DATE DELIVERED</b> .
5. Signature - Addressee <b>X</b> <i>[Signature]</i>	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <b>X</b>	
7. Date of Delivery <b>SEP - 4 1992</b>	

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

September 22, 1992

Amoco Production Company  
P. O. Box 3092  
Houston, Texas 77253  
Attn: Mr. Jerry D. West

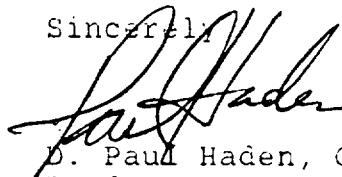
Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 17, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for infill drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,



D. Paul Haden, CPL  
Landman

PH/klc

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

Amoco Production Company  
P. O. Box 3092  
Houston, Texas 77253

Attn: Mr. Jerry D. West

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

*Paul Haden*  
D. Paul Haden, CPL  
Landman

PH/klc  
Enclosure

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to:  Amoco Production Company P. O. Box 3092 Houston, Texas 77253 Attn: Jerry D. West  Chalk Bluff Fed. #3	4. Article Number P 080 146 798  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>Paul Haden</i>	
7. Date of Delivery SEP - 8 1992	

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

September 22, 1992

G. L. Wilbanks  
2200 So. Scurry Street  
Big Spring, Texas 79720-5551

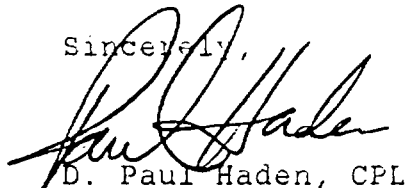
Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 5, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for infill drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,

  
D. Paul Haden, CPL  
Landman

PH/klc

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

G. L. Wilbanks  
2200 So. Scurry Street  
Big Spring, Texas 79720-5551

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

*D. Paul Haden*  
D. Paul Haden, CPL  
Landman

PH/klc  
Enclosure

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent it from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to:  G. L. Wilbanks 2200 So. Scurry Street Big Spring, Texas 79720-5551  Chalk Bluff Fed #3	4. Article Number P 124 766 941  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature -- Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature -- Agent X <i>Daryl Henderson</i>	
7. Date of Delivery 9-4	

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

September 22, 1992

Devon Energy Corporation  
1500 Mid-America Tower  
20 North Broadway  
Oklahoma City, Oklahoma 73102-8260

Attn: ~~Carter Muir~~

*KEN GRAY*

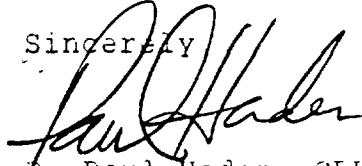
Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 3, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for infill drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,

  
D. Paul Haden, CPL  
Landman

PH/klc



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

Devon Energy Corporation  
1500 Mid-America Tower  
20 North Broadway  
Oklahoma City, Oklahoma 73102-8260

Attn: Carter Muire

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

*Paul Haden*  
P. Paul Haden, CPL  
Landman

PH/klc  
Enclosure

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this mail from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to:  Devon Energy Corp. 1500 Mid-America Tower 20 North Broadway Oklahoma City, OK 73102-8260  Chalk Bluff Fed. #3	4. Article Number P 124 766 942  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
5. Signature - Addressee  <i>Carter Muire</i>	6. Always obtain signature of addressee or agent and DATE DELIVERED.
6. Signature - Agent <i>Paul Haden</i>	7. Addressee's Address (ONLY if requested and fee paid)
7. Date of Delivery 9-8-92	

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

September 22, 1992

OXY USA Inc.  
Box 50250  
Midland, Texas 79710

Attn: Charles E. Dickenson

Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 3, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for infill drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,



D. Paul Haden, CPL  
Landman

PH/klc

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

OXY USA Inc.  
Box 50250  
Midland, Texas 79710

Attn: Charles E. Dickenson

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

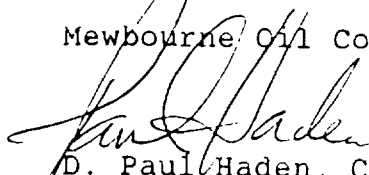
Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

  
D. Paul Haden, CPL  
Landman

PH/klc  
Enclosure

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the item from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to: OXY USA Inc. Box 50250 Midland, Texas 79710 Attn: Charles E. Dickenson  Chalk Bluff Fed #3	4. Article Number P124 766 944  Type of Service: <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery 9/4/92	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

September 22, 1992

Chevron U.S.A. Inc.  
P. O. Box 1150  
Midland, Texas 79702  
Attn: Mr. James E. Baca

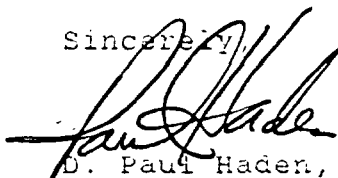
Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 3, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for initial drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,



D. Paul Haden, CPL  
Landman

PH/klc

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

Chevron U.S.A. Inc.  
P. O. Box 1150  
Midland, Texas 79702  
Attn: Mr. James E. Baca

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

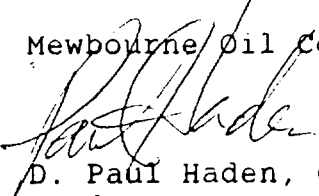
Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.


Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

  
D. Paul Haden, CPL  
Landman

PH/klc  
Enclos

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent it from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to:  Chevron U.S.A Inc. P. O. Box 1150 Midland, Texas 79702 Attn: James Baca  Chalk Bluff Fed #3	4. Article Number  P 124 766 940  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and <u>DATE DELIVERED</u> .
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X 	
7. Date of Delivery SEP - 4 1992	

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

September 22, 1992

Durham, Inc.  
P. O. Drawer 273  
Midland, Texas 79702

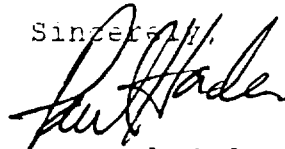
Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 3, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for infill drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,



D. Paul Haden, CPL  
Landman

PH/klc

# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

Durham, Inc.  
P. O. Drawer 273  
Midland, Texas 79702

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

*D. Paul Haden*  
D. Paul Haden, CPL  
Landman

PH/klc  
Enclosure

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the item from being returned to you. The return receipt fee will provide you the name of the person delivered and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional services requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to:  Durham, Inc. P. O. Drawer 273 Midland, Texas 79702  Chalk Bluff Fed. #3	4. Article Number 0 080 146 797  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>D. Paul Haden</i>	
7. Date of Delivery 9-4-92	

# MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

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

September 22, 1992

Beth Joanne Johnson  
c/o 2200 So. Scurry Street  
Big Spring, Texas 79720-5551

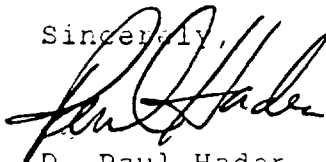
Re: NMOCD Examiner Hearing  
Chalk Bluff Federal #3  
S/2 of Sec. 1, T18S, R27E  
Eddy County, New Mexico

Gentlemen:

Reference is made to that certain letter dated September 3, 1992 wherein Mewbourne notified you of an Oil Conservation Division examiner hearing to take place October 1, 1992. Said hearing was in regard to Mewbourne's application for approval for infill drilling, simultaneous acreage dedication and for approval for Mewbourne's unorthodox gas well location as to the captioned well and land. Please be advised, the referenced examiner hearing will be continued to October 15, 1992 and will be heard at 8:15 A.M., MST, at the Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. As previously advised you, failure to appear at that time will preclude you from contesting this matter at a later date.

Should you have any questions regarding the above, please call the undersigned at your early convenience.

Sincerely,



D. Paul Haden, CPL  
Landman

PH/klc



# MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020  
MIDLAND, TEXAS 79701

915 / 682-3715

September 3, 1992

## Certified Mail - Return Receipt Requested

Beth Joanne Johnson  
c/o 2200 So. Scurry Street  
Big Spring, Texas 79720-5551

Re: Chalk Bluff Federal #3  
S/2 of Section 1, T18S, R27E  
Eddy County, New Mexico

Ladies and Gentlemen:

Please be advised, Mewbourne Oil Company has made application to the New Mexico Oil Conservation Division for approval for infill drilling, simultaneous acreage dedication and for approval for an unorthodox gas well location for the captioned well to be drilled by Mewbourne. This hearing has been set for 8:15 A.M., MST, on Thursday, October 1, 1992, at the New Mexico Oil Conservation Division offices located at 310 Old Santa Fe Trail, Santa Fe, New Mexico. Failure to appear at that time will preclude you from contesting this matter at a later date.

Regarding the above, enclosed for your information is a copy of Mewbourne's Application. Should you have any questions regarding such Application, please call the undersigned.

Sincerely,

Mewbourne Oil Company

*B. Paul Haden*  
B. Paul Haden, CPL  
Landman

PH/klc  
Enclosure

<b>SENDER:</b> Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent it from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.	
1. <input type="checkbox"/> Show to whom delivered, date, and addressee's address. (Extra charge)	2. <input type="checkbox"/> Restricted Delivery (Extra charge)
3. Article Addressed to:  Beth Joanne Johnson C/O 2200 So. Scurry Street Big Spring, Texas 79720-5551  Chalk Bluff Fed. #3	4. Article Number P124 766 945  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X <i>Carol Henderson</i>	
7. Date of Delivery 9-4	

**MEWBOURNE OIL COMPANY  
AUTHORIZATION FOR EXPENDITURE**

Prospect: CHALK BLUFF DRAW      Well Name and No: CHALK BLUFF "1" FEDERAL #3  
Field: ILLINOIS CAMP MORROW      Location: 1980' FSL & 990' FEL  
Section: 1      Block      Township: 18S  
Range: 28E      County: EDDY      State: NM      Proposed Depth: 10150

DESCRIPTION		Cost To Casing Point AFE NO.	Completion Cost AFE NO.
<b>INTANGIBLE COST 180</b>			
300	Permits and Surveys	600	500
301	Location, Roads and surveys	15000	2000
302	Footage or Turnkey Drilling	155000	0
303	Day Work	70000	0
304	Fuel, Water and Other	61000	1000
305	Completion/Workover      15 DAYS	0	15000
306	Mud and Chemicals	23000	0
307	Cementing	40000	8000
308	Logging and Wireline	35000	7000
309	Casing-Tubing Services	8400	2000
310	Mud Logging	4100	0
311	Testing	2500	2000
312	Treating	0	45000
313	Coring	0	0
320	Transportation	2500	5000
321	Welding and Construction Labor	1500	1000
322	Contract Supervision	0	0
330	Equipment Rental	7500	4000
334	Well/Lease Legal/Tax	2500	0
335	Well/Lease Insurance	3800	0
350	Intangible Supplies	500	500
360	Pipeline ROW and Easements	0	500
367	Pipeline Interconnect	0	0
375	Company Supervision	54000	7000
380	Overhead Fixed Rate	9000	3400
399	Contingencies	24795	5195
Total Intangibles		\$520,695	\$109,095
<b>TANGIBLE COST 181</b>			
	Conductor Casing	0	0
	Surface Casing      13 3/8" @ 400'	8328	0
	Intermediate Casing      9 5/8" @ 2600'	29882	0
	Production Casing      7" @ 9400'	98789	0
	Production Casing      4 1/2" LINER @ 10150'	0	4650
	Tubing      2 7/8" @ 10150'	0	26390
860	Drilling Head	4500	0
865	Tubing Head	0	2500
870	Upper Section	0	4500
875	Sucker Rods	0	0
880	Packer, Pump & Other Subsurface	0	6000
885	Pumping Unit & Prime Mover + Electricity	0	0
890-1	Tanks (Steel & Fiberglass)	0	6000
894-5	Separation Equipment (fired, Non-fired)	0	10000
898	Metering Equipment	0	4000
900	Line Pipe	0	10000
905	Valves	0	5000
906	Miscellaneous Fittings & Accessories	0	3000
910	Production Equipment Installation	0	10000
920	Pipeline Construction	0	15000
Total Tangibles		\$141,499	\$107,040
SUBTOTAL		\$662,194	\$216,135
TOTAL WELL COST		\$878,329	

Date Prepared: 8-27-92

Prepared By: Gregory Milner

Company Approval: 

Date Approved: 9-2-92

Joint Owner Approval:

Joint Owner Interest:

Joint Owner Amount:

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

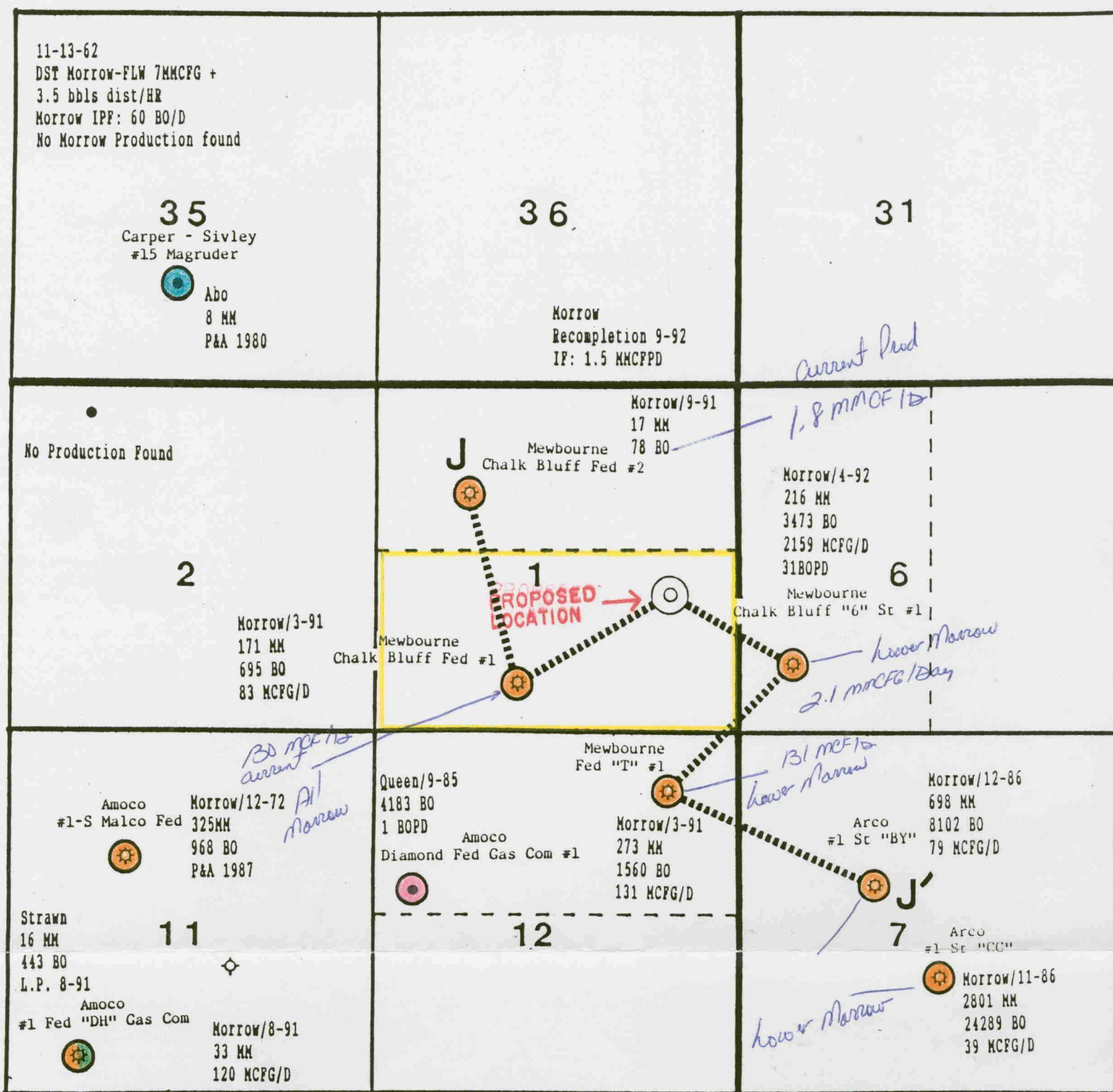
CASE NO. \_\_\_\_\_



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# EDDY CO., N.M.

## ○ Morrow Penetration

Zone/Date 1st Production  
Cumulative Gas  
Cumulative Oil  
Daily Rate

-  Queen
-  Abo
-  Strawn
-  Morrow

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

EXHIBIT NO.

CASE NO.

MOC

**MEWBOURNE OIL COMPANY**  
MIDLAND, TEXAS DISTRICT

CHALK BLUFF DRAW PROSPECT  
EDDY COUNTY, NEW MEXICO

Production Map  
Mewbourne Wells Cumulative & Daily  
Rates thru 7-92  
All Other Wells Cumulative & Daily  
Rates thru 5-92

September 1992

Scale 1"=2000'

D. Harmon/JH

10/21/03 Tuesday

8:00 AM. Box 34

2:00 PM. Part 6.

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2:10 PM. Box 37

3:00 PM " 1<sup>st</sup> - 10660

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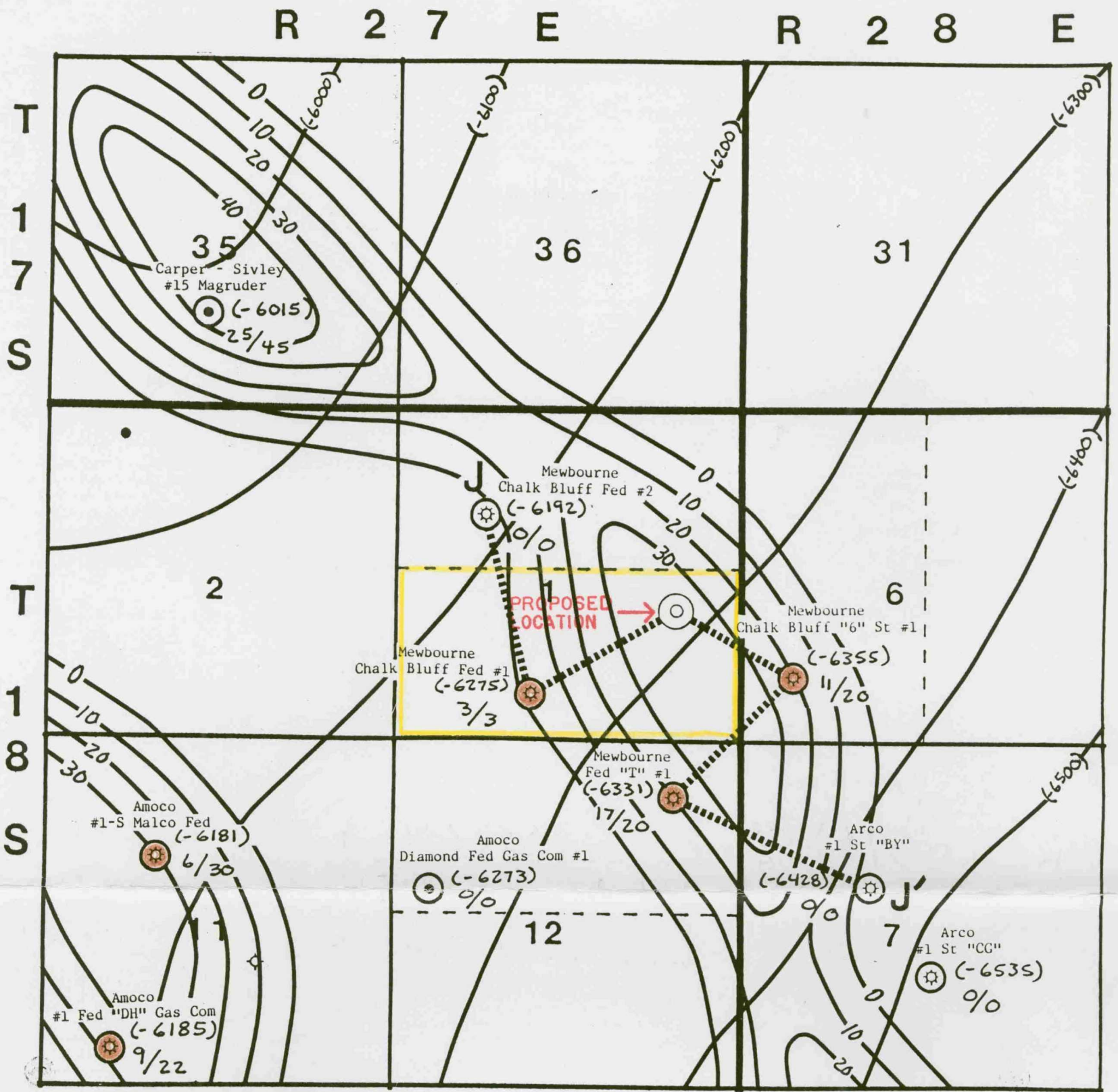
10/22 Box 37 finish

7:45 - 10:30

Box ~~53~~ 53 - 10:40 - 1:10

Box 55 - 1:15 - 4:05





Wells deeper  
than 7000'

EDDY CO., N.M.

○ Morrow Penetration

● PRODUCER

NET  $\phi_p \geq 8\%$   
GROSS SAND

MOC

MEWBOURNE OIL COMPANY

MIDLAND, TEXAS DISTRICT

CHALK BLUFF DRAW PROSPECT  
EDDY COUNTY, NEW MEXICO

TOP/LOWER MORROW STRUCTURE  
C. I. = 100'

GROSS LOWER MORROW BROWN SAND ISOPACH  
C. I. = 10'

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

EXHIBIT NO. 5

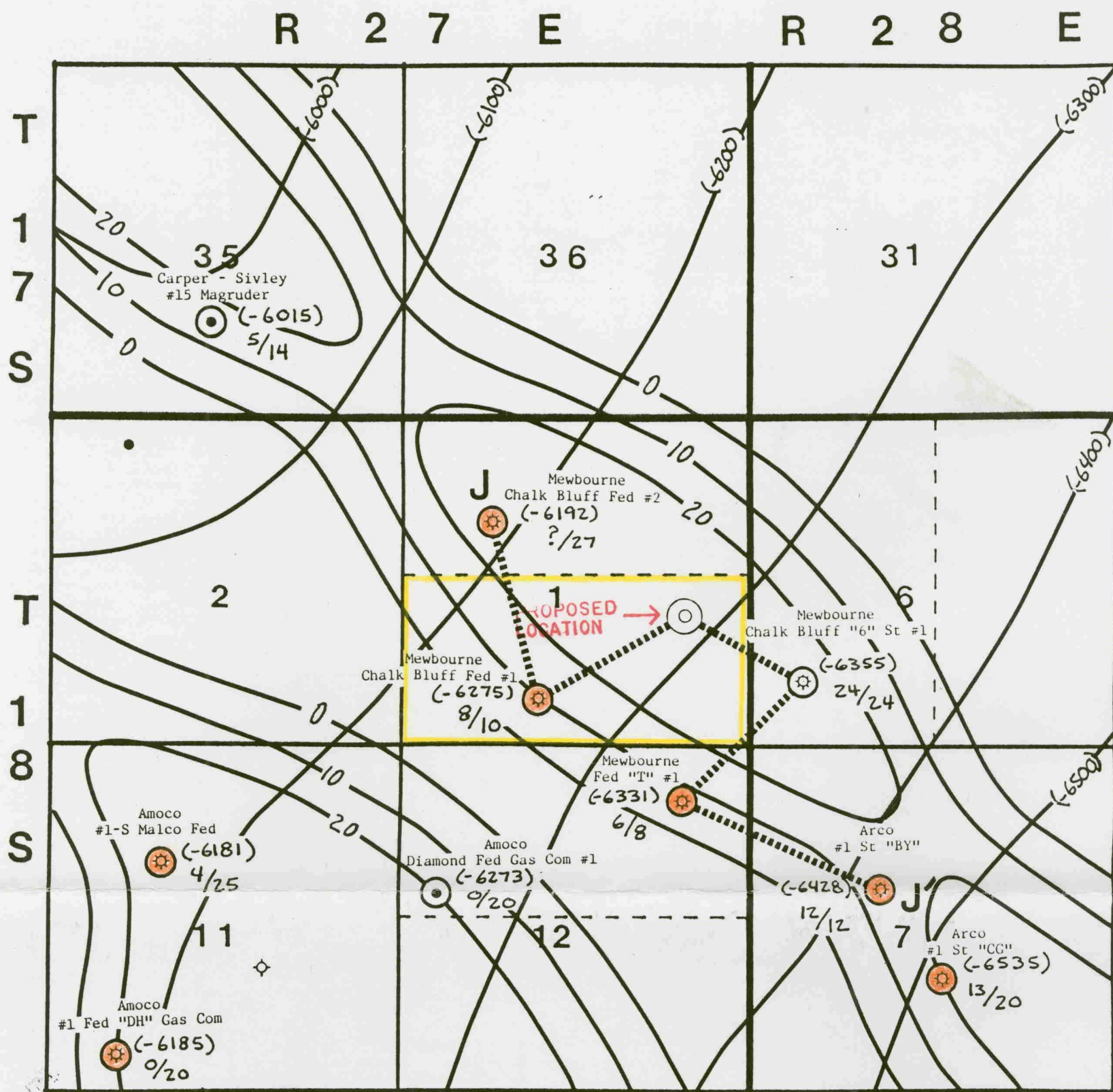
CASE NO.

SEPTEMBER 1992

1" = 2000'

DEXTER HARMON





Wells deeper  
than 7,000'

EDDY CO., N.M.

○ Morrow Penetration

● PRODUCER

NET  $\geq 8\%$   
GROSS SAND

MOC

MEWBOURNE OIL COMPANY

MIDLAND, TEXAS DISTRICT

CHALK BLUFF DRAW PROSPECT  
EDDY COUNTY, NEW MEXICO

TOP/LOWER MORROW STRUCTURE  
C.I. = 100'

GROSS LOWER MORROW ORANGE SAND ISOPACH  
C.I. = 10'

SEPTEMBER 1992

1" = 2000'

DEXTER HARMON

BEFORE EXAMINER CATANACH  
OIL CONSERVATION DIVISION

EXHIBIT NO. 6

CASE NO.