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July 16, 1985

Kellahin and Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Attention: W. Thomas Kellahin

BEFORE EXAMINER QUINTANA OIL CONSERVATION DIVISION
<i>Mewbourne</i> EXHIBIT NO. <u>2</u>
CASE NO. <u>8665</u>

Re: Mewbourne Oil Company
Rock Tank Upper and Lower Morrow Gas Pool
Township 23 South, Range 24 East
Section 13: N/2
660' FNL & 1980' FWL
Eddy County, New Mexico

Gentlemen:

Yates Petroleum Corporation has no objection to Mewbourne Oil Company's application for an unorthodox well location on the captioned acreage.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson
Land Manager

RGP/mw

cc: Mewbourne Oil Company
701 South Cecil
Hobbs, New Mexico 88240

July 19, 1985

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

DEPARTMENT OF GEOL. & MINING	EXHIBIT NO. 8
CASE NO. 8665	

Attn: Mr. Richard L. Stamets

Re: MUTUAL WAIVER
Mewbourne Oil Company
Federal "K" #1 Well
T23S, R24E, N.M.P.M.
Section 13: N/2
Eddy County, New Mexico

MUTUAL WAIVER
Monsanto Oil Company
T23S, R24E, N.M.P.M.
Section 12: E/2
Eddy County, New Mexico

Gentlemen:

Monsanto Oil Company, as an offset operator or offset owner of operating rights, has been advised of the intention of Mewbourne Oil Company to drill the referenced Atoka, Morrow test at a location 660' FNL and 1980" FWL of Section 13, T23S, R24E, N.M.P.M., Eddy County, New Mexico. Monsanto Oil Company has no objection to the granting of a drilling permit at this location and does not object to the granting of a non-standard unit as applied for. Monsanto Oil Company hereby waives objection and notice of hearing on this application.

In consideration of Monsanto Oil Company's waiver, Mewbourne Oil Company hereby waives objection to the granting of a drilling permit by Monsanto Oil Company for approval of a non-standard 320-acres spacing and proration unit and for approval of an unorthodox well location in E/2 of Section 12, T23S, R24E, Eddy County, New Mexico, provided that Monsanto's well location is no closer than 660 feet to the common boundary line between Monsanto and Mewbourne.

This mutual waiver replaces all previous waivers exchanged by the respective companies on this matter.

Very truly yours:
MONSANTO OIL COMPANY

Very truly yours:
MEWBOURNE OIL COMPANY

BY: *J. D. [Signature]*
TITLE: Regional Exploration Manager
DATE: July 22, 1985

BY: *Paul Hedden*
TITLE: LANDMAN
DATE: 7-22-85