



VIA CERTIFIED MAIL #7004 1160 0000 4517 9597

November 12, 2013

EOG Resources, Inc.
Attn: Pat Tower
P.O. Box 2267
Midland, Texas 79702

Re: Birdog 19 State #1H (AFE #13106)
Surface Location: 225' FSL & 1980' FEL
Section 19, T21S-R34E, N.M.P.M.
Lea County, New Mexico

Gentlemen:

A check of the records of Lea County, New Mexico, reflects that EOG Resources, Inc. is the owner of the W/2NE/4 and SE/4NE/4 of Section 19. Elevation proposes the creation of a drilling unit comprised of the E/2 of Section 19.

On or before May 1, 2014, Elevation Resources LLC ("Elevation") proposes to drill the Birdog 19 State #1H. The objective of the well will be to attempt a completion as either a horizontal 2nd or 3rd Bone Spring Sand well. The well is to be drilled to approximately 11,800' TVD/MD. The total cost of the operation is estimated to be \$8,567,050.00. A detailed description of the cost estimate is set out in the accompanying Authorization for Expenditure.

Elevation proposes the well to be drilled at a surface location of 225' FSL & 1980' FEL of Section 19, with a bottom hole location of 330' FNL & 1980' FEL of Section 19, both in T21S-R34E, N.M.P.M., Lea County, New Mexico.

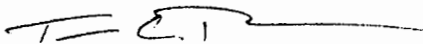
Please advise within thirty (30) days from receipt of this letter whether or not you wish to participate in the proposed operation. If you wish to participate in the drilling of this well, please execute the AFE and one copy of this letter and return to my attention. Upon receipt of a copy of this letter noting your desire to participate in the well, Elevation will forward to you its proposed form of JOA for your consideration. Should you elect not to participate, we ask that you consider a farmout to Elevation of your acreage in the NE/4 of Section 19 under mutually acceptable terms.

You may fax your responses to my attention at (432) 686-7530.

If you desire to receive information from the subject operations, please return a Well Information Requirements list to Elevation. Technical questions should be directed to Brian Zachry at (432) 685-7737; land and other questions should be directed to the undersigned.

Oil Conservation Division
Case No. 15087
Exhibit No. 2

Very truly yours,



Tim C. Reece
Vice President - Land

- ☐ I elect **TO** participate in the above-described operations on the Birddog 19 State #1H well.
- ☐ I elect **NOT TO** participate in the above-described operations on the Birddog 19 State #1H well.

THIS _____ DAY OF _____, 2013.

EOG RESOURCES, INC.

By: _____
Title: _____