Email from David Rhodes to Jo Graf dated August 13, 2015

Oil Conservation Division
Case No. 15404 + 15405
Exhibit No. _______

Coley Means

From:

David Rhodes

Sent:

Thursday, August 13, 2015 4:48 PM

To:

Jo Marie at Ard Energy

Cc:

Coley Means

Subject:

RE: note from Julian Ard to David Rhodes

Julian,

Here are the things we would like to discuss with you related to the Maljamar (Puckett) area in Eddy County, NM:

- 1. We need to temporarily abandon the Nosler Fed #3 well located in the SESE of Sec 24-17S-31E to get it off our plugging list at the state. We want to preserve the well bore for possible future horizontal drilling. I will be sending you an AFE tomorrow in the amount of \$57,000 for this operation. We hope to be able to get it TA'd for a lot less. Your working interest is 10.8%.
- 2. We want to discuss with you what your plans are for the undeveloped acreage that COG reassigned to you. Our preference would be for you to sign a joint operating agreement so that we can move forward with our project with you as a working interest owner. I have a form I can send you if you are inclined to do so. If you have something else in mind, please let us know what that is.

I will be here tomorrow morning but out tomorrow afternoon. I look forward to hearing from you.

Thanks, David

DAVID S. RHODES

VICE PRESIDENT - LAND

BURNETT OIL CO., INC.

BURNETT PLAZA - SUITE 1500 801 CHERRY STREET - UNIT #9 FORT WORTH, TX 76102-6881 OFFICE: (817) 583-8681 FAX: (817) 332-7832 DERHODES@BURNETTOIL.COM

From: Jo Marie at Ard Energy [mailto:JoMarieArdEnergy@aol.com]

Sent: Thursday, August 13, 2015 3:49 PM

To: David Rhodes **Cc:** Julian Ard

Subject: note from Julian Ard to David Rhodes

Mr. Rhodes,

The text found below is from Julian.

Jo Marie Graf

Ard Energy LLC 222 W 4th Street, #PH-5 Fort Worth, TX 76102 817-882-9377 817-875-8989 cell 817-882-9460 FAX JoMarieArdEnergy@aol.com David,

I was out of town yesterday. Sorry I missed you then and again this afternoon. I have near future plans to be away frequently but I'll have free time tomorrow. If you wish to send me topics you want to discuss, I'll attempt to have them researched this evening so a written response will be possible. I travel again next week. I look forward to your response. Let me know if the above is a satisfactory approach to whatever you have in mind!

Thanks,

Julian

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