

**Before the Oil Conservation Division
Examiner Hearing April 24, 2018**

Case No. 16076 & 16077

Zeus Fee 23 28 29 WXY 12H, Zeus Fee 23 28 29 WD 16H, Zeus Fee 23 28
29 WXY 17H and Zeus Fee 23 28 29 TB 15H



Area Map - T23S R28E



16076
MARATHON
A

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98220	³ Pool Name PURPLE SAGE (WOLFCAMP)
⁴ Property Code	⁵ Property Name ZEUS FEE 23-28-29 WXY	⁶ Well Number 12H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 3114'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	T23S	R28E		270	SOUTH	1275	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	29	T23S	R28E		330	NORTH	560	WEST	EDDY

¹² Dedicated Acres 320.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ 				¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey _____ Signature and Seal of Professional Surveyor _____				PRELIMINARY THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, RECORDATION, SALE OR THE BASIS FOR THE GRANTING OF A PERMIT.	
CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 607843.83' / Y: 466867.47' B - X: 610493.37' / Y: 466874.52' C - X: 610520.93' / Y: 461582.68' D - X: 607871.09' / Y: 461580.40'				CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 586561.13' / Y: 466808.52' B - X: 589310.83' / Y: 466815.54' C - X: 589338.06' / Y: 461523.82' D - X: 586688.27' / Y: 461521.58'	

3

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98220	³ Pool Name PURPLE SAGE (WOLFCAMP)
⁴ Property Code	⁵ Property Name ZEUS FEE 23-28-29 WD	⁶ Well Number 16H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 3114'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	29	T23S	R28E		270	SOUTH	1305	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	29	T23S	R28E		330	NORTH	1655	WEST	EDDY

¹² Dedicated Acres 320.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p>SECTION 19</p> <p>SECTION 20</p> <p>SECTION 21</p> <p>SECTION 29</p> <p>SECTION 30</p> <p>SECTION 28</p> <p>SECTION 31</p> <p>SECTION 32</p> <p>SECTION 33</p> <p>LAST TAKE POINT/BOTTOM HOLE LOCATION 330' FSL 1655' FWL SECTION 29 NAD 83, SPCS NM EAST X:609500.31' / Y:466541.88' LAT:32.28240517N / LON:104.11276640W NAD 27, SPCS NM EAST X:568317.58' / Y:466482.92' LAT:32.28228475N / LON:104.11227058W</p> <p>FIRST TAKE POINT 330' FSL 1655' FWL SECTION 29 NAD 83, SPCS NM EAST X:609524.30' / Y:461911.82' LAT:32.26967763N / LON:104.11271950W NAD 27, SPCS NM EAST X:568341.46' / Y:461852.97' LAT:32.26955712N / LON:104.11222418W</p> <p>SURFACE HOLE LOCATION 270' FSL 1305' FWL SECTION 29 NAD 83, SPCS NM EAST X:609174.71' / Y:461851.57' LAT:32.26951398N / LON:104.11385100W NAD 27, SPCS NM EAST X:567991.87' / Y:461792.73' LAT:32.26939349N / LON:104.11335561W</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 607843.83' / Y: 466867.47' B - X: 610493.37' / Y: 466874.52' C - X: 610520.93' / Y: 461582.68' D - X: 607871.09' / Y: 461580.40'</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 566661.13' / Y: 466808.52' B - X: 569310.63' / Y: 466815.54' C - X: 569338.06' / Y: 461523.82' D - X: 566688.27' / Y: 461521.58'</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>THIS DOCUMENT IS NOT TO BE USED FOR CONSTRUCTION, SALE, BIDDING, RECORDATION, OR THE BASIS FOR A PERMIT.</p> <p>Certificate Number _____</p>
---	--

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98220	³ Pool Name PURPLE SAGE (WOLFCAMP)
⁴ Property Code	⁵ Property Name ZEUS FEE 23-28-29 WXY	⁶ Well Number 17H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 3113'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	29	T23S	R28E		270	SOUTH	1365	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	29	T23S	R28E		330	NORTH	2320	WEST	EDDY

¹² Dedicated Acres 320.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p>SECTION 19</p> <p>SECTION 20</p> <p>SECTION 21</p> <p>SECTION 29</p> <p>SECTION 30</p> <p>SECTION 31</p> <p>SECTION 32</p> <p>SECTION 33</p> <p>LAST TAKE POINT/BOTTOM HOLE LOCATION 330' FSL 2320' FWL, SECTION 29 NAD 83, SPCS NM EAST X:610165.09' / Y:466543.65' LAT:32.28240626N / LON:104.11061520W NAD 27, SPCS NM EAST X:568982.35' / Y:466484.68' LAT:32.28228581N / LON:104.11011951W</p> <p>FIRST TAKE POINT 329' FSL 2320' FWL, SECTION 29 NAD 83, SPCS NM EAST X:610189.21' / Y:461911.89' LAT:32.26967350N / LON:104.11056830W NAD 27, SPCS NM EAST X:569006.35' / Y:461852.83' LAT:32.26955296N / LON:104.11007301W</p> <p>SURFACE HOLE LOCATION 270' FSL 1365' FWL, SECTION 29 NAD 83, SPCS NM EAST X:809234.71' / Y:461851.57' LAT:32.26951364N / LON:104.11365690W NAD 27, SPCS NM EAST X:568051.87' / Y:461792.73' LAT:32.26939315N / LON:104.11316149W</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 607843.83' / Y: 466867.47' B - X: 610493.37' / Y: 466874.52' C - X: 610520.93' / Y: 461582.68' D - X: 607871.09' / Y: 461580.40'</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 566661.13' / Y: 466808.52' B - X: 569310.63' / Y: 466815.54' C - X: 569338.06' / Y: 461523.82' D - X: 566688.27' / Y: 461521.58'</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was located from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>CONVEYANCE OF A PERMIT.</p> <p>Certificate Number _____</p>
--	---

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 15011	³ Pool Name CULEBRA BLUFF, SOUTH (BONE SPRING)
⁴ Property Code	⁵ Property Name ZEUS FEE 23-28-29 TB	⁶ Well Number 15H
⁷ OGRID No. 372098	⁸ Operator Name MARATHON OIL PERMIAN LLC	⁹ Elevation 3114'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	29	T23S	R28E		270	SOUTH	1335	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

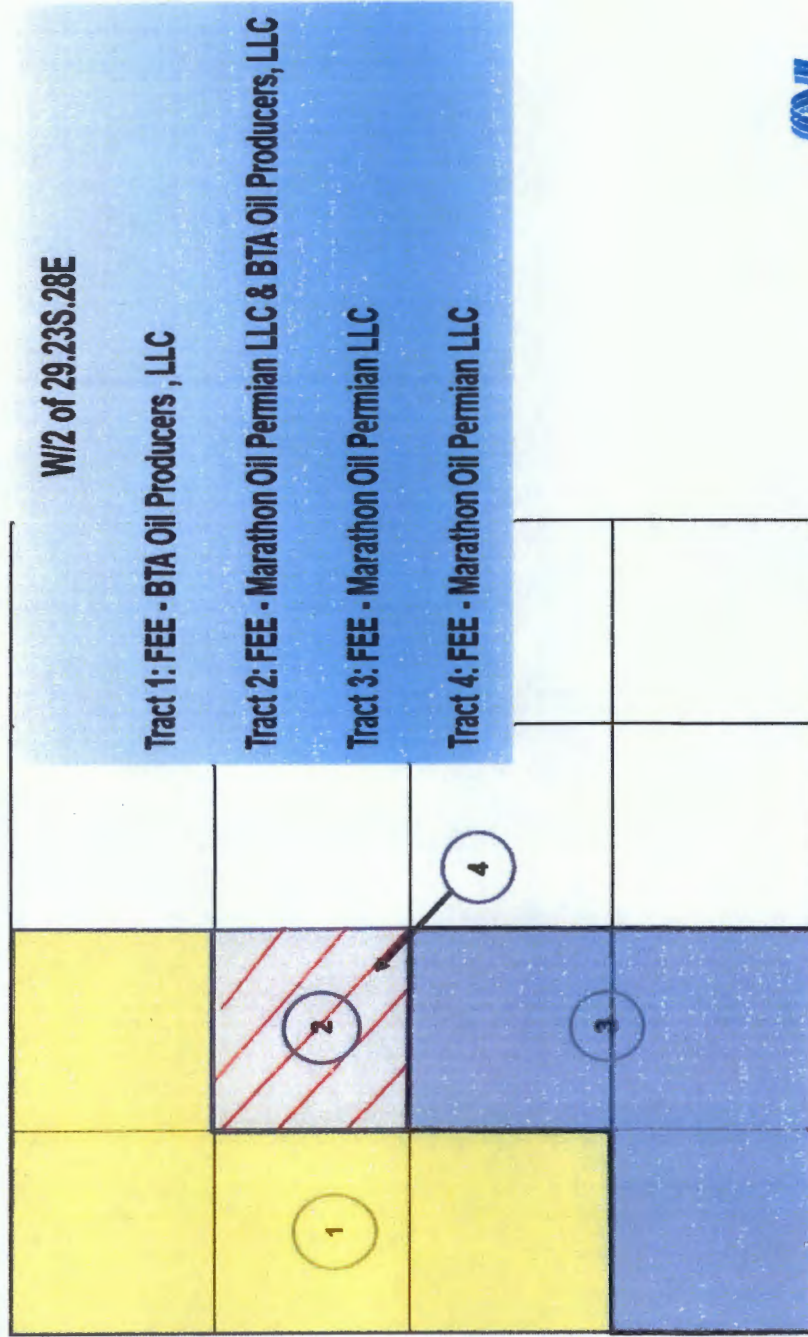
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	29	T23S	R28E		330	NORTH	1655	WEST	EDDY

¹² Dedicated Acres 160.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <p>SECTION 19</p> <p>SECTION 20</p> <p>SECTION 21</p> <p>SECTION 29</p> <p>SECTION 28</p> <p>SECTION 30</p> <p>SECTION 31</p> <p>SECTION 32</p> <p>SECTION 33</p> <p>CORNER COORDINATES NAD 83, SPCS NM EAST A - X: 609168.60' / Y: 466871.00' B - X: 610493.37' / Y: 466874.52' C - X: 610520.93' / Y: 461582.68' D - X: 609196.01' / Y: 461581.54'</p> <p>CORNER COORDINATES NAD 27, SPCS NM EAST A - X: 567985.88' / Y: 466812.03' B - X: 569310.63' / Y: 466815.54' C - X: 569338.06' / Y: 461523.82' D - X: 568013.16' / Y: 461522.70'</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey _____</p> <p>Signature of Registered Professional Surveyor _____</p> <p>Certificate Number _____</p>

Lease Tract Map
Zeus Fee 23 28 29 WXY 12H, Zeus Fee 23 28 29 WD 16H, Zeus Fee 23 28 29 WXY 17H – 320 Acres W/2 Sec 29 T23S
R28E



16076
C

Summary of Interests
Zeus Fee 23 28 29 WXY 12H, Zeus Fee 23 28 29 WD 16H, Zeus Fee 23 28 29 WXY 17H– 320 Acres W/2 Sec 29 T23S R28E

<u>Committed Working Interest:</u>	<u>44.53125%</u>
Marathon Oil Permian LLC	44.53125%
<u>Uncommitted Working Interest:</u>	<u>55.46875%</u>
BTA Oil Producers, LLC	55.46875%

Trade Discussions and Proposals with BTA Oil Producers, LLC

- Acreage Trades
- Joint Development Scenarios
- Farmout
- Offer to Purchase

16076
E

Correspondence regarding Marathon's Zeus Fee 23 28 29 WXY 12H, WD 16H, WXY 17H and TB 15H wells and BTA's Ogden 5H & 6H wells:

- 1/15/18 Marathon began reviewing the well from submittal from BTA
 - o Initial concerns where the AFE costs were extremely high
 - o Marathon's fee lease has a depth severance in which BTA's proposed wells would not perpetuate Marathon's leasehold rights
- 1/26/18 contacted BTA via phone conference expressing our concerns about costs and lack of development of other Wolfcamp and Bonesprings formations
- 1/31/2018 sent BTA via email Marathon's AFE costs for a 1.5 mile lateral equivalent to BTA's Ogden wells
 - o Initiated a desire to trade this acreage as opposed to participate with BTA
- 2/12/2018 BTA sent new/revised AFE's for the Ogden 6H and 5H
 - o More or less used Marathon's AFE with small revision
- 2/19/2018 Marathon sent BTA the Zeus Fee well proposals
 - o Better development plan
 - o Target multiple benches
 - HBP Deep rights
 - o BTA would still be able to develop the NW/4 of Sec 32 via an east west plan
- 2/23/18 BTA Land Manger Willis Price meet with me to discuss the competing proposal
 - o Conceptual trade – Marathon Trade its upper WC acreage for BTA's Lower WC and BS acreage
 - Indicated BTA has no desire to drill these targets
- 2/27/18 BTA email indicating a desire not to trade
 - o BTA drill its two wells
 - o BTA option to F/O to Marathon WC D rights for backin APO
 - Allowed to drill one well
- 2/27/18 Marathon advised BTA that the proposal was unacceptable and Marathon was moving forward with its development plan
- Week of 4/16/18 Marathon reinitiated trade discussions
 - o Proposed acreage trade scenarios
 - o Proposed Joint operatorship
 - o BTA has no desire or willingness to drill Lower Wolfcamp wells nor Bonesprings Wells

16076
F

Jennifer L. Bradfute

From: Rice, Chase F. (MRO) <cfrice@marathonoil.com>
Sent: Monday, February 19, 2018 2:28 PM
To: Ashley Beal
Cc: Willis Price
Subject: Zeus Fee Well Proposal T23S R28E Sec 29 Eddy County, NM
Attachments: Zeus Fee T23S R 28E Sec 29 Well Proposal_AFE_2-19-18.pdf

Ashley,

Please see the attached well proposal letter and associated AFEs for the Zeus Fee 12H, 15H, 16H and 17H. A hard copy of the proposal backed will be mailed to your attention.

Regards,

Chase Rice, CPL
Sr. Land Professional – Permian
Marathon Oil Corp.
5555 San Felipe Street
Houston, Texas 77056
O: 713-296-3055
C: 832-530-0051
F: 713-513-4430

CONFIDENTIAL

This e-mail message and all corresponding e-mail messages, including all attachments, are intended solely for the individual(s) named above. They contain confidential and/or proprietary information. Do not forward, copy, distribute or otherwise relay the messages or their content to any individual without first contacting the sender of this message.

Should the contents of this message concern any potential agreement it is understood that any final agreement is subject to diligence and management approval; there shall be no binding agreement until the parties have executed and exchanged a definitive final agreement.

If you have received this e-mail message in error, do not read, forward, copy or distribute it or any of its content to anyone. In addition, please notify the sender that you have received this message immediately by return e-mail and delete it.

16076
G(100)

Chase Rice
Sr. Land Professional



Marathon Oil Permian LLC
5555 San Felipe Street
Houston, TX 77056
Telephone: 713.296.3055
Fax: 713.513.4006
cfrice@marathonoil.com

February 19, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

BTA Oil Producers, LLC.
Attn: Land Department
104 South Pecos Street
Midland, Texas 79701
(432) 682-3753

Re: Zeus Fee 12H, 15H, 16H, and 17H Well Proposals
Section 29, T23S-R28E
Eddy County, New Mexico

Working Interest Owner:

Marathon Oil Permian LLC ("MRO") proposes the drilling of the following wells located in the West Half (W/2) of Section 29, T23S-R28E, Eddy County, New Mexico all to be drilled from the same surface pad location with a planned spud date of August 15, 2018.

- Zeus Fee 23 28 29 WXY 12H with a proposed first take point located approximately 330' FWL and 330' FSL of Section 29, 23S-28E, and a proposed last take point located 330' FWL and 330' FNL of Section 29, 23S-28E. The well will have a targeted interval located in the Wolfcamp XY Formation (~9,437' TVD) with a productive lateral length of approximately 4,647'. The total estimated drilling and completion cost is \$6,871,284 as shown in the attached AFE.
- Zeus Fee 23 28 29 WXY 17H with a proposed first take point located approximately 2310' FWL and 330' FSL of Section 29, 23S-28E, and a proposed last take point located 2310' FWL and 330' FNL of Section 29, 23S-28E. The well will have a targeted interval located in the Wolfcamp XY Formation (~9,477' TVD) with a productive lateral length of approximately 4,646'. The total estimated drilling and completion cost is \$6,871,284 as shown in the attached AFE.
- Zeus Fee 23 28 29 WD 16H with a proposed first take point located approximately 1650' FWL and 330' FSL of Section 29, 23S-28E, and a proposed last take point located 1650' FWL and 330' FNL of Section 29, 23S-28E. The well will have a targeted interval located in the Wolfcamp D Formation (~10,334' TVD) with a productive lateral length of approximately 4,647'. The total estimated drilling and completion cost is \$7,020,834 as shown in the attached AFE.
- Zeus Fee 23 28 29 TB 15H with a proposed first take point located approximately 1650' FWL and 330' FSL of Section 29, 23S-28E, and a proposed last take point located 1650' FWL and 330' FNL of Section 29, 23S-28E. The well will have a targeted interval located in the Third Bone Springs Formation (~9,287' TVD) with a productive lateral length of approximately 4,647'. The total estimated drilling and completion cost is \$6,645,024 as shown in the attached AFE.

These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered. The AFEs represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred.

MRO proposes drilling the wells under the terms of the 1989 AAPL JOA and a form of this JOA will be sent to you following this proposal. The JOA will have these general provisions:

- 100%/300%/300% non-consent penalty
- \$7,000/\$700 drilling and producing rates
- Contract area of west half of Section 29, T23S-R28E, Eddy County, New Mexico, covering the TOP of the Bone Springs Formation to BASE of the Wolfcamp Formation.

Working Interest under the proposed contract area is as follows (subject to change and title verification):

BTA Oil Producers, L.L.C. 55.46875% interest in Contract Area

If your election is to participate in the drilling and completion of the wells please sign and return a copy of this letter along with the enclosed AFE within thirty (30) days of receipt of this proposal.

If you do not wish to participate, Marathon proposes to acquire your interest via term assignment at the following terms:

- 3 year term
- \$7000 bonus consideration per net mineral acre
- Delivering a 75% NRI, proportionately reduced

This term assignment offer terminates March 20, 2018 and is subject to due diligence and title verification satisfactory to Marathon.

Due to lease retention requirements, **Marathon will submit an application for Compulsory Pooling Order with the New Mexico Oil Conservation Division within 30 days of your receipt of this letter.**

Should you have any questions regarding this or other matters, please don't hesitate to contact me at the above listed numbers.

Sincerely,

Chase Rice, CPL

Zeus Fee 23 28 29

elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WXY 12H well.

elects NOT to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WXY 12H well.

elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WXY 17H well.

elects NOT to participate in the drilling, completing, and equipping of Zeus Fee 23 28 29 WXY 17H well.

elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 16H well.

elects NOT to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 16H well.

elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 TB 15H well.

elects NOT to participate in the drilling, completing, and equipping of Zeus Fee 23 28 29 TB 15H well.

Company Name

By:

Print Name:

Title:

Date:



AUTHORITY FOR EXPENDITURE
EXPLORATION & PRODUCTION

Drilling Project #
Pad Project #
DATE: 2/15/2018

Permian Asset Team

Field
Lease / Facility
Operator

ZEUS FEE 23 28 29 TB 15H
MARATHON OIL PERMIAN LLC

Location 23 28 29 0 0
State NEW MEXICO
County/Parish EDDY
Estimated Start Date
Estimated Completion Date

Estimated Gross Cost This AFE: \$6,645,024

Project Description & Reason for Expenditure:

Drill, Complete, & Equip a Horizontal Well

This well is planned to be drilled and completed with multistage fracturing using plug and perf. The estimated cost of drilling, testing, completing, and equipping the well is \$6,645,024 as detailed in the provided authority for expenditure document. This will include installation of transitional and long term artificial lift systems.

The well will be drilled to a total vertical depth of 9,287' and a total measured depth of 14,188', with an estimated treatable lateral length of 4,647' and will be completed with an estimated 30 stages and approximately 2500 lbs/ft of proppant.

Prepared By: AG PRADEEP, JACOB BEATY, JOSH SHANNON, MATT HENSCHEN, TOMMY MAZAL, LANE NEAL

Final Approval

Date: _____
Title: Regional Vice President Permian Asset Team

Participant's Approval

Name of
Company: _____

Signature: _____

Title: _____ Date: _____

G(200)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

DRILLING & LOCATION PREPARED BY JACOB BEATY
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY TOMMY MAZAL

Asset Team	PERMIAN		
Field	0	FORMATION: 3RD BONE SPRINGS	WILDCAT
Lease/Facility	Zeus Fee 23 28 29 TB 15H		EXPLORATION
Location	EDDY COUNTY		DEVELOPMENT
Prospect	MALAGA		X EXPLOITATION
			WORKOVER
Est Total Depth	14,188'	Est Drilling Days	19.8
		Est Completion Days	5.5

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	37,500
7001250	Land Broker Fees and Services	60,000
TOTAL LOCATION COST - INTANGIBLE		97,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	19,000
7012050	Intermediate Casing 1	65,000
7012050	Intermediate Casing 2	
7012050	Production Casing	215,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	-
7012550	Drilling Wellhead Equipment	70,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	-
TOTAL DRILLING - TANGIBLE		421,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	370,125
7019040	Directional Drilling Services	138,500
7019020	Cement and Cementing Service	15,000
7019020	Cement and Cementing Service	20,000
7019020	Cement and Cementing Service	-
7019020	Cement and Cementing Service	45,000
7019140	Mud Fluids & Services	61,000
7012310	Solids Control equipment	31,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	54,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging-geosteering	13,000
7019250	Stabilizers, Hole Openers, Underreamers (DM rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	135,000
7001440	Vacuum Trucks	20,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	70,500
7018150	Rig Equipment and Misc.	5,288
7001110	Telecommunications Services	10,000
7001120	Consulting Services	82,838
7001400	Safety and Environmental	10,000
7018120	Rental Buildings (trailers)	-
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	141,820
TOTAL DRILLING - INTANGIBLE		\$1,493,570

TOTAL DRILLING COST

\$1,914,570

COMPLETION - TANGIBLE

7012580	Tubing	75,000
7012040	Tubing Accessories (nipple, wireline entry)	15,000
7012350	Wellhead Equip	20,000
7012560	Packers - Completion Equipment	38,850
TOTAL COMPLETION - TANGIBLE		\$148,850

MARATHON OIL PERMIAN LLC
AUTHORITY FOR EXPENDITURE
DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

Asset Team PERMIAN
Field 0 FORMATION: 3RD BONE SPRINGS
Lease/Facility Zeus Fee 23 28 29 TB 15H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
701270	Location and Access (dress location after rig move, set anchors)	20,000
7019220	Drilling Rig During Completion	20,000
7019140	Mud Fluids & Services	-
7019030	Coflled Tubing Services (3 runs)	140,000
7019240	Snubbing Services	25,000
7019270	Pulling/Swab Units	10,000
7016350	Fuel (from drig)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	71,000
7019320	Fracturing Services	1,860,000
7019330	Perforating	124,000
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	550,000
7016180	Freight - Truck (haul pipe, drig & compl)	40,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (Incl drig, lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	45,000
7000030	Contract Labor - general	75,000
7001110	Telecommunications Services	25,000
7001400	Safety and Environmental	-
7001120	Consulting Services	30,000
7018150	Zipper Manifold	57,600
7019300	Frack Stack Rentals	39,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	100,000
7018120	Rental Buildings (trailers)	55,000
7000030	Contract Labor - Pumping (pump-down pumps)	42,000
7011010	8% Contingency & Taxes	264,928

TOTAL COMPLETION - INTANGIBLE \$3,593,528

TOTAL COMPLETION COST \$3,742,378

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	9,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293

TOTAL SURFACE EQUIPMENT - TANGIBLE \$811,576

TOTAL SURFACE EQUIPMENT COST \$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500

TOTAL ARTIFICIAL LIFT 79,000

TOTAL ARTIFICIAL LIFT COST \$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 97,500
TOTAL DRILLING COST	\$ 1,914,570
TOTAL COMPLETIONS COST	\$ 3,742,378
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,645,024



Drilling Project #
Pad Project #
DATE: 2/15/2018

Permian Asset Team	
Field	0
Location	23 28 29 0 0
Lease / Facility	ZEUS FEE 23 28 29 WD 16H
Operator	MARATHON OIL PERMIAN LLC
State	NEW MEXICO
County/Parish	EDDY
Estimated Start Date	
Estimated Completion Date	
Estimated Gross Cost This AFE: \$7,020,834	

Project Description & Reason for Expenditure: Drill, Complete, & Equip a Horizontal Well

This well is planned to be drilled and completed with multistage fracturing using plug and perf. The estimated cost of drilling, testing, completing, and equipping the well is \$7,020,834 as detailed in the provided authority for expenditure document. This will include installation of transitional and long term artificial lift systems.

The well will be drilled to a total vertical depth of 10,334' and a total measured depth of 15,233', with an estimated treatable lateral length of 4,647' and will be completed with an estimated 30 stages and approximately 2500 lbs/ft of proppant.

Prepared By: AG PRADEEP, JACOB BEATY, JOSH SHANNON, MATT HENSCHEN, TOMMY MAZAL, LANE NEAL

Final Approval

Title: Regional Vice President Permian Asset Team Date: _____

Participant's Approval

Name of Company: _____

Signature: _____

Title: _____ Date: _____

EA(300)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018
 DRILLING & LOCATION PREPARED BY JACOB BEATY
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY TOMMY MAZAL

Asset Team	PERMIAN			
Field	D	FORMATION: WOLFCAMP D	WILDCAT	EXPLORATION
Lease/Facility	ZEUS FEE 23 28 29 WD 16H		DEVELOPMENT	RECOMPLETION
Location	EDDY COUNTY		X EXPLOITATION	WORKOVER
Prospect	MALAGA			

Est Total Depth	<u>15,233'</u>	Est Drilling Days	<u>20.8</u>	Est Completion Days	<u>5.5</u>
-----------------	----------------	-------------------	-------------	---------------------	------------

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	75,000
7001250	Land Broker Fees and Services	60,000
TOTAL LOCATION COST - INTANGIBLE		135,000

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	19,000
7012050	Intermediate Casing 1	65,000
7012050	Intermediate Casing 2	205,000
7012050	Production Casing	61,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	55,000
7012550	Drilling Wellhead Equipment	70,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	-
TOTAL DRILLING - TANGIBLE		527,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	65,000
7019220	Drilling Rig - day work/footage	435,750
7019040	Directional Drilling Services	157,500
7019020	Cement and Cementing Service Surface	15,000
7019020	Cement and Cementing Service Intermediate 1	20,000
7019020	Cement and Cementing Service Intermediate 2	45,000
7019020	Cement and Cementing Service Production	45,000
7019140	Mud Fluids & Services	63,000
7012310	Solids Control equipment	34,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	64,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging/geosteering	15,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	135,000
7001440	Vacuum Trucks	20,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	83,000
7018150	Rig Equipment and Misc.	6,225
7001110	Telecommunications Services	10,000
7001120	Consulting Services	97,525
7001400	Safety and Environmental	10,000
7018120	Rental Buildings (trailers)	-
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	166,880
TOTAL DRILLING - INTANGIBLE		\$1,725,880

TOTAL DRILLING COST

\$2,252,880

COMPLETION - TANGIBLE

7012580	Tubing	75,000
7012040	Tubing Accessories (nipple, wireline entry)	15,000
7012550	Wellhead Equip	20,000
7012560	Packers - Completion Equipment	38,850
TOTAL COMPLETION - TANGIBLE		\$148,850

MARATHON OIL PERMIAN LLC
AUTHORITY FOR EXPENDITURE
DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

Asset Team PERMIAN
Field 0 FORMATION: WOLFCAMP D
Lease/Facility HERMES FEE 23 28 30 WA 10H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	20,000
7019220	Drilling Rig During Completion	20,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	140,000
7019240	Snubbing Services	25,000
7019270	Pulling/Swab Units	10,000
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	71,000
7019320	Fracturing Services	1,860,000
7019330	Perforating	124,000
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	550,000
7016180	Freight - Truck (haul pipe; drlg & compl)	40,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drlg; lightplant, hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	45,000
7000030	Contract Labor - general	75,000
7001110	Telecommunications Services	25,000
7001400	Safety and Environmental	-
7001120	Consulting Services	30,000
7018150	Zipper Manifold	57,600
7019300	Frack Stack Rentals	39,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	100,000
7018120	Rental Buildings (trailers)	55,000
7000030	Contract Labor - Pumping (pump-down pumps)	42,000
7011010	8% Contingency & Taxes	264,928
TOTAL COMPLETION - INTANGIBLE		\$3,593,528

TOTAL COMPLETION COST

\$3,742,378

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,991
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576

TOTAL SURFACE EQUIPMENT COST

\$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST

\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 135,000
TOTAL DRILLING COST	\$ 2,252,880
TOTAL COMPLETIONS COST	\$ 3,742,378
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$7,020,834



Drilling Project #
Pad Project #
DATE: 2/15/2018

Permian Asset Team	
Field	0
Location	23 28 29 0 0
Lease / Facility	ZEUS FEE 23 28 29 WXY 17H
Operator	MARATHON OIL PERMIAN LLC
State	NEW MEXICO
County/Parish	EDDY
Estimated Start Date	
Estimated Completion Date	
Estimated Gross Cost This AFE: \$6,871,284	

Project Description & Reason for Expenditure: Drill, Complete, & Equip a Horizontal Well

This well is planned to be drilled and completed with multistage fracturing using plug and perf. The estimated cost of drilling, testing, completing, and equipping the well is \$6,871,284 as detailed in the provided authority for expenditure document. This will include installation of transitional and long term artificial lift systems.

The well will be drilled to a total vertical depth of 9,477' and a total measured depth of 14,419', with an estimated treatable lateral length of 4,646' and will be completed with an estimated 30 stages and approximately 2500 lbs/ft of proppant.

Prepared By: AG PRADEEP, JACOB BEATY, JOSH SHANNON, MATT HENSCHEN, TOMMY MAZAL, LANE NEAL

Final Approval

Title: Regional Vice President Permian Asset Team Date: _____

Participant's Approval

Name of
Company: _____

Signature: _____

Title: _____ Date: _____

G(400)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

DRILLING & LOCATION PREPARED BY JACOB BEATY
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY TOMMY MAZAL

Asset Team:	PERMIAN	FORMATION: WOLFCAMP XY	WILDCAT	EXPLORATION
Field	0		DEVELOPMENT	RECOMPLETION
Lease/Facility	ZEUS FEE 23 28 29 WXY 17H		X EXPLOITATION	WORKOVER
Location	EDDY COUNTY			
Prospect	MALAGA			

Est Total Depth	14,419'	Est Drilling Days	20.8	Est Completion Days	5.5
-----------------	---------	-------------------	------	---------------------	-----

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	37,500
7001250	Land Broker Fees and Services	60,000
TOTAL LOCATION COST - INTANGIBLE		97,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	19,000
7012050	Intermediate Casing 1	65,000
7012050	Intermediate Casing 2	218,000
7012050	Production Casing	61,000
7012050	Drig Liner Hanger, Tieback Eq & Cag Accessories	55,000
7012550	Drilling Wellhead Equipment	70,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	-
TOTAL DRILLING - TANGIBLE		540,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	391,125
7019040	Directional Drilling Services	148,000
7019020	Cement and Cementing Service Surface	15,000
7019020	Cement and Cementing Service Intermediate 1	20,000
7019020	Cement and Cementing Service Intermediate 2	45,000
7019020	Cement and Cementing Service Production	45,000
7019140	Mud Fluids & Services	62,000
7012310	Solids Control equipment	32,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	57,000
7019340	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging-geosteering	14,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (Includes soil farming)	135,000
7001440	Vacuum Trucks	20,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	74,500
7018150	Rig Equipment and Misc.	5,588
7001130	Telecommunications Services	10,000
7001120	Consulting Services	87,538
7001400	Safety and Environmental	10,000
7018120	Rental Buildings (trailers)	-
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	158,580
TOTAL DRILLING - INTANGIBLE		\$1,600,830

TOTAL DRILLING COST

\$2,140,830

COMPLETION - TANGIBLE

7012580	Tubing	75,000
7012040	Tubing Accessories (nipple, wireline entry)	15,000
7012550	Wellhead Equip	20,000
7012560	Packers - Completion Equipment	38,850
TOTAL COMPLETION - TANGIBLE		\$148,850

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

Asset Team PERMIAN
 Field 0 FORMATION: WOLFCAMP XY
 Lease/Facility HERMES FEE 23 28 30 WA 10H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	20,000
7019220	Drilling Rig During Completion	20,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	140,000
7019240	Snubbing Services	25,000
7019270	Pulling/Swab Units	10,000
7016950	Fuel (from drig)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	71,000
7019320	Fracturing Services	1,860,000
7019330	Perforating	124,000
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	550,000
7016180	Freight - Truck (haul pipe; drig & compl)	40,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drig; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	45,000
7000030	Contract Labor - general	75,000
7001110	Telecommunications Services	25,000
7001400	Safety and Environmental	-
7001120	Consulting Services	30,000
7018150	Zipper Manifold	57,600
7019300	Frack Stack Rentals	39,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	100,000
7018120	Rental Buildings (trailers)	55,000
7000030	Contract Labor - Pumping (pump-down pumps)	42,000
701010	8% Contingency & Taxes	264,928
TOTAL COMPLETION - INTANGIBLE		\$3,593,528

TOTAL COMPLETION COST

\$3,742,378

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576

TOTAL SURFACE EQUIPMENT COST

\$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7011140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST

\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 97,500
TOTAL DRILLING COST	\$ 2,140,830
TOTAL COMPLETIONS COST	\$ 3,742,378
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,871,284



Drilling Project #
Pad Project #
DATE: 2/15/2018

Permian Asset Team
Field 0 Location 23 28 29 0 0
Lease / Facility ZEUS FEE 23 28 29 WXY 12H State NEW MEXICO
Operator MARATHON OIL PERMIAN LLC County/Parish EDDY
Estimated Start Date
Estimated Completion Date
Estimated Gross Cost This AFE: \$6,871,284

Project Description & Reason for Expenditure: Drill, Complete, & Equip a Horizontal Well
This well is planned to be drilled and completed with multistage fracturing using plug and perf. The estimated cost of drilling, testing, completing, and equipping the well is \$6,871,284 as detailed in the provided authority for expenditure document. This will include installation of transitional and long term artificial lift systems.
The well will be drilled to a total vertical depth of 9,437' and a total measured depth of 14,351', with an estimated treatable lateral length of 4,647' and will be completed with an estimated 30 stages and approximately 2500 lbs/ft of proppant.

Prepared By: AG PRADEEP, JACOB BEATY, JOSH SHANNON, MATT HENSCHEN, TOMMY MAZAL, LANE NEAL

Final Approval

Date: _____
Title: Regional Vice President Permian Asset Team

Participant's Approval

Name of Company: _____
Signature: _____
Title: _____ Date: _____

G(5)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

DRILLING & LOCATION PREPARED BY JACOB BEATY
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY TOMMY MAZAL

Asset Team	PERMIAN	FORMATION: WOLFCAMP XY	WILDCAT	EXPLORATION
Field	0		DEVELOPMENT	RECOMPLETION
Lease/Facility	ZEUS FEE 23 28 29 WXY 12H		X EXPLOITATION	WORKOVER
Location	EDDY COUNTY			
Prospect	MALAGA			

Est Total Depth	<u>14,351'</u>	Est Drilling Days	<u>20.8</u>	Est Completion Days	<u>5.5</u>
-----------------	----------------	-------------------	-------------	---------------------	------------

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	37,500
7001250	Land Broker Fees and Services	60,000
TOTAL LOCATION COST - INTANGIBLE		97,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	19,000
7012050	Intermediate Casing 1	65,000
7012050	Intermediate Casing 2	218,000
7012050	Production Casing	61,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	55,000
7012550	Drilling Wellhead Equipment	70,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	-
TOTAL DRILLING - TANGIBLE		540,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	391,125
7019040	Directional Drilling Services	148,000
7019020	Cement and Cementing Service	15,000
7019020	Cement and Cementing Service	20,000
7019020	Cement and Cementing Service	45,000
7019020	Cement and Cementing Service	45,000
7019140	Mud Fluids & Services	62,000
7012310	Solids Control equipment	32,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	57,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging-geosteering	14,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (Includes soil farming)	135,000
7001440	Vacuum Trucks	20,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	74,500
7018150	Rig Equipment and Misc.	5,588
7001110	Telecommunications Services	10,000
7001120	Consulting Services	87,538
7001400	Safety and Environmental	10,000
7018120	Rental Buildings (trailers)	-
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	158,580
TOTAL DRILLING - INTANGIBLE		\$1,600,830

TOTAL DRILLING COST

\$2,140,830

COMPLETION - TANGIBLE

7012580	Tubing	75,000
7012040	Tubing Accessories (nipple, wireline entry)	15,000
7012550	Wellhead Equip	20,000
7012560	Packers - Completion Equipment	38,850
TOTAL COMPLETION - TANGIBLE		\$148,850

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

Asset Team PERMIAN
 Field 0 FORMATION: WOLFCAMP KY
 Lease/Facility HERMES FEE 23 28 30 WA 10H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	20,000
7019220	Drilling Rig During Completion	20,000
7019140	Mud Fluids & Services	-
7019080	Coiled Tubing Services (3 runs)	140,000
7019240	Snubbing Services	25,000
7019270	Pulling/Swab Units	10,000
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	71,000
7019320	Fracturing Services	1,860,000
7019330	Perforating	124,000
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	550,000
7016180	Freight - Truck (haul pipe; drlg & compl)	40,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (Incl drlg; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	45,000
7000030	Contract Labor - general	75,000
7001110	Telecommunications Services	25,000
7001400	Safety and Environmental	-
7001120	Consulting Services	30,000
7018150	Zipper Manifold	57,600
7019300	Frack Stack Rentals	39,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	100,000
7018120	Rental Buildings (trailers)	55,000
7000030	Contract Labor - Pumping (pump-down pumps)	42,000
7011010	8% Contingency & Taxes	264,928
TOTAL COMPLETION - INTANGIBLE		\$3,593,528

TOTAL COMPLETION COST

\$3,742,378

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576

TOTAL SURFACE EQUIPMENT COST

\$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST

\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

TOTAL COST

TOTAL LOCATION COST	\$ 97,500
TOTAL DRILLING COST	\$ 2,140,830
TOTAL COMPLETIONS COST	\$ 3,742,378
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,871,284

Jennifer L. Bradfute

From: Rice, Chase F. (MRO) <cfrice@marathonoil.com>
Sent: Tuesday, February 20, 2018 6:20 AM
To: Ashley Beal
Cc: Willis Price
Subject: RE: Zeus Fee Well Proposal T23S R28E Sec 29 Eddy County, NM
Attachments: ZEUS FEE 23 28 29 WXY 17H.pdf

Ashley,

Please see the attached edited AFE page with the correct name on the Header.

Regards,

Chase

From: Ashley Beal [mailto:ABeal@btaoil.com]
Sent: Monday, February 19, 2018 6:02 PM
To: Rice, Chase F. (MRO) <cfrice@marathonoil.com>
Cc: Willis Price <WPrice@btaoil.com>
Subject: [External] RE: Zeus Fee Well Proposal T23S R28E Sec 29 Eddy County, NM

Beware of links/attachments.

Thank you. Upon review of your letter, I noticed Page 12 is an error. Could you please send the correct 2nd page for the ZEUS FEE 23 28 29 WXY 17H AFE?

From: Rice, Chase F. (MRO) [mailto:cfrice@marathonoil.com]
Sent: Monday, February 19, 2018 3:28 PM
To: Ashley Beal
Cc: Willis Price
Subject: Zeus Fee Well Proposal T23S R28E Sec 29 Eddy County, NM

Ashley,

Please see the attached well proposal letter and associated AFEs for the Zeus Fee 12H, 15H, 16H and 17H. A hard copy of the proposal backed will be mailed to your attention.

Regards,

Chase Rice, CPL
Sr. Land Professional – Permian
Marathon Oil Corp.
5555 San Felipe Street
Houston, Texas 77056
O: 713-296-3055
C: 832-530-0051
F: 713-513-4430

CONFIDENTIAL

This e-mail message and all corresponding e-mail messages, including all attachments, are intended solely for the individual(s) named above. They contain confidential and/or proprietary information. Do not forward, copy, distribute or otherwise relay the messages or their content to any individual without first contacting the sender of this message.

Should the contents of this message concern any potential agreement it is understood that any final agreement is subject to diligence and management approval; there shall be no binding agreement until the parties have executed and exchanged a definitive final agreement.

If you have received this e-mail message in error, do not read, forward, copy or distribute it or any of its content to anyone. In addition, please notify the sender that you have received this message immediately by return e-mail and delete it.

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

DRILLING & LOCATION PREPARED BY JACOB BEATY
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY TOMMY MAZAL

Asset Team	PERMIAN					
Field	0	FORMATION: WOLFCAMP XY	WILDCAT	EXPLORATION		
Lease/Facility	ZEUS FEE 23 28 29 WXY 17H		DEVELOPMENT	RECOMPLETION		
Location	EDDY COUNTY		X EXPLOITATION	WORKOVER		
Prospect	MALAGA					
Est Total Depth	14,419'	Est Drilling Days	20.8	Est Completion Days	5.5	

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	37,500
7001250	Land Broker Fees and Services	60,000
TOTAL LOCATION COST - INTANGIBLE		97,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	19,000
7012050	Intermediate Casing 1	65,000
7012050	Intermediate Casing 2	218,000
7012050	Production Casing	61,000
7012050	Drig Uner Hanger, Tieback Eq & Csg Accessories	55,000
7012550	Drilling Wellhead Equipment	70,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	-
TOTAL DRILLING - TANGIBLE		540,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	391,125
7019040	Directional Drilling Services	148,000
7019020	Cement and Cementing Service	15,000
7019020	Cement and Cementing Service	20,000
7019020	Cement and Cementing Service	45,000
7019020	Cement and Cementing Service	45,000
7019140	Mud Fluids & Services	62,000
7012310	Solids Control equipment	32,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	57,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7019000	Well Logging Services	-
7019150	Mud Logging/geosteering	14,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	135,000
7001440	Vacuum Trucks	20,000
7000030	Contract Labor - general	30,000
7018150	Rental Tools and Equipment (surface rentals)	74,500
7018150	Rig Equipment and Misc.	5,588
7001110	Telecommunications Services	10,000
7001120	Consulting Services	87,538
7001400	Safety and Environmental	10,000
7018120	Rental Buildings (trailers)	-
7019310	Coring (sidewalls & analysis)	-
7011010	8% Contingency & Taxes	158,580
TOTAL DRILLING - INTANGIBLE		\$1,600,830

TOTAL DRILLING COST \$2,140,830

COMPLETION - TANGIBLE

7012580	Tubing	75,000
7012040	Tubing Accessories (nipple, wireline entry)	15,000
7012550	Wellhead Equip	20,000
7012560	Packers - Completion Equipment	38,850
TOTAL COMPLETION - TANGIBLE		\$148,850

MARATHON OIL PERMIAN LLC
AUTHORITY FOR EXPENDITURE
DETAIL OF ESTIMATED WELL COSTS

DATE 2/15/2018

Asset Team PERMIAN
Field 0 FORMATION: WOLFCAMP XY
Lease/Facility Zeus Fee 23 28 29 WXY 17H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	20,000
7019220	Drilling Rig During Completion	20,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	140,000
7019240	Snubbing Services	25,000
7019270	Pulling/Swab Units	10,000
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	71,000
7019320	Fracturing Services	1,860,000
7019330	Perforating	124,000
7019360	Wireline Services	-
7001460	Water Hauling & Disposal (frac fluids)	550,000
7016180	Freight - Truck (haul pipe; drlg & compl)	40,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	45,000
7000030	Contract Labor - general	75,000
7001110	Telecommunications Services	25,000
7001400	Safety and Environmental	-
7001120	Consulting Services	30,000
7018150	Zipper Manifold	57,600
7019300	Frack Stack Rentals	39,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	100,000
7018120	Rental Buildings (trailers)	55,000
7000030	Contract Labor - Pumping (pump-down pumps)	42,000
7011010	8% Contingency & Taxes	264,928
TOTAL COMPLETION - INTANGIBLE		\$3,593,528
TOTAL COMPLETION COST		\$3,742,378

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576
TOTAL SURFACE EQUIPMENT COST		\$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000
TOTAL ARTIFICIAL LIFT COST		\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 97,500
TOTAL DRILLING COST	\$ 2,140,830
TOTAL COMPLETIONS COST	\$ 3,742,378
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,871,284



OCT 31 2017
Land Permian

CARLTON BEAL, JR.
BARRY BEAL
SPENCER BEAL
KELLY BEAL
BARRY BEAL, JR.
STUART BEAL
ROBERT DAVENPORT, JR.

BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET
MIDLAND, TEXAS 79701-5021
432-682-3753
FAX 432-683-0311

GULF COAST DISTRICT
TOTAL PLAZA
1201 LOUISIANA STREET, STE. 570
HOUSTON, TEXAS 77002
713-658-0077 FAX 713-655-0346

ROCKY MOUNTAIN DISTRICT
800 17TH STREET, STE. 2230 SOUTH
DENVER, COLORADO 80202
303-534-4404 FAX 303-534-4661

October 25, 2017

Certified Return Receipt
70150640000150986851

In re: BTA – Ogden 20509 32-29 Fed Com #5H
W/2 Section 29 & NW/4 of Section 32-T23S-R28E
Eddy County, New Mexico

BTA 20509 JV-P Ogden, Tr. II

Marathon Oil Company
5555 San Felipe Street
Houston, TX 77056

Attention: Matt S. Tate

Mr. Tate:

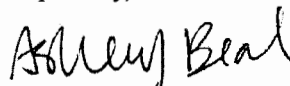
BTA Oil Producers, LLC ("BTA") proposes to drill the BTA-Ogden 20509 32-29 Fed Com #5H well ("the Ogden #5H"). Records indicate that Marathon Oil Permian LLC ("Marathon") owns a 29.6875% working interest in the above described lands. Enclosed for your review and approval are two (2) original AFE(s) to drill and complete the Ogden #5H, a proposed 17,142' MD, and 9,450' TVD horizontal Wolfcamp Sand well with the SHL of 2472' FNL 1,357' FWL of Sec 32, T23S, R28E in Eddy County, New Mexico. The 480 acre spacing unit for the Ogden #5H covers the W/2 of Section 29 and the NW/4 of Section 32, Township 23 South, Range 28 East in Eddy County, New Mexico. Please note that the Ogden #5H is a horizontal well and there will not be a casing point election. The election to participate in drilling the Ogden #5H is also an election to participate in the completion of the Ogden #5H.

Should you elect to participate in the drilling of the Ogden #5H, please so indicate in the space provided and return one (1) executed copy of this letter to the undersigned along with one (1) executed copy of the AFE. The anticipated spud date of the Ogden #5H is March 2017.

H(100)

Should you have any questions, or wish to discuss, please call me at (432) 682-3753.

Respectfully,



Ashley Beal, RPL
Landman

_____ Marathon hereby elects to participate in the drilling and completion of the proposed Ogden #5H Ogden 20509 32-29 Fed Com #5H well

_____ Marathon hereby elects NOT to participate in the drilling and completion of the proposed Ogden #5H Ogden 20509 32-29 Fed Com #5H well

Working Interest Owner:

Marathon Oil Permian LLC

By: _____

Title: _____

Date: _____

AB

Enclosures

C:\Users\mlagan\Documents\Land\Letters\AB\Well Proposal - Ogden 20509 32-29 Fed Com #5H (Marathon) (2).docx

BTA OIL PRODUCERS, LLC
WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

Well Name: Ogden 20509 32-29 Fed Com #5H
 4-1/2" production liner; 1.5 mile

Total Depth: 9,450' TVD
 17,142' MD

Location: SHL: 2472' FNL 1357 FWL Sec 32 23S 28E
 BHL: 200' FNL 1980 FWL Sec 29 23S 28E, Eddy County, NM

Formation: Wolfcamp Sand

Date Prepared: 9/14/2017

	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
INTANGIBLE COSTS				
FORMATION EVALUATION	\$	\$	\$	\$
LOGS	20,000		7,200	27,200
LOCATION & ACCESS				0
SURVEY & STAKE	5,000			5,000
DAMAGES	25,000			25,000
ROAD & LOCATION	110,000		25,000	135,000
OTHER LOCATION	200,000			200,000
DRILLING RIG				0
MOBILIZATION	120,000			120,000
DAYWORK	30 585,000	4 78,000		663,000
DRILLING SUPPLIES				0
BITS	80,000			80,000
BHA	50,000		50,000	100,000
FUEL	128,250	18,000		146,250
MUD RELATED				0
MUD PURCHASE	155,000	5,000		160,000
FRESH WATER	50,000	5,000	520,000	575,000
BRINE	50,000			50,000
SOLIDS CONTROL (Centrifuge)	37,950	9,000		46,950
MUD MONITOR	29,000	1,000		30,000
MUD RELATED OTHER	48,000			48,000
DRILLING SERVICES				0
BOP RELATED	15,000	4,000		19,000
CASING RELATED	30,000	45,000		75,000
WELDING	8,000	2,000		10,000
TRUCKING	25,000	10,000	30,000	65,000
RENTAL EQUIP.	90,000	10,000	230,000	330,000
OTHER SERVICES (Direction/GR Services)	215,000			215,000
CEMENT				0
CASING CEMENTING	120,000	110,000		230,000
OTHER CEMENTING			150,000	150,000
CONTRACT SERVICES				0
ENGINEERING	8,000			8,000
GEOLOGICAL	32,000			32,000
ROUSTABOUT	8,000		5,000	13,000
WELLSITE SUPERVISION	108,000	14,400	60,000	172,400
OTHER CONTRACT SERV.	30,000			30,000
COMPLETION SERVICES				0
PULLING UNIT			20,000	20,000
DRILLING RIG				0
PERFORATE			240,000	240,000
STIMULATION			3,700,000	3,700,000
OTHER COMPL. SERV.			180,000	180,000
OVERHEAD				0
DRLG & ADMIN.	10,000		4,800	14,800
TOTAL INTANGIBLE COSTS	\$ 2,392,200	\$ 311,400	\$ 5,211,800	\$ 7,915,400
TANGIBLE COSTS				
TUBULARS				
SURFACE CASING (13 3/8" @ 450')	16,000			16,000
INTERMEDIATE CSG (9 5/8" @ 2,600')	76,000			76,000
DRLG LINER & HANGER				0
PRODUCTION CSG 7" @ 10100	236,000			236,000
PROD LINER & HNGR 4-1/2" @ TD (8000')		90,000		90,000
WELL EQUIPMENT				0
WELL HEAD	22,000	10,000	45,000	77,000
FLOWLINE			10,000	10,000
TUBING			50,000	50,000
SUBSURFACE EQUIP			25,000	25,000
OTHER WELL EQUIP		90,000	3,000	93,000
LEASE EQUIPMENT				0
ELECTRICAL SYSTEM			5,000	5,000
OTHER LEASE EQUIP			575,000	575,000
SUBTOTAL - TANGIBLES	350,000	190,000	713,000	1,253,000
SYSTEMS				
GAS LINE TANGIBLES			0	0
GAS LINE INTANGIBLES			0	0
COMPRESSOR			-	0
GAS PLANT TANGIBLES			-	0
GAS PLANT INTANGIBLES			-	0
DEHYDRATOR			-	0
SUBTOTAL - SYSTEMS	0	0	0	0
TOTAL TANGIBLE COSTS	350,000	190,000	713,000	\$ 1,253,000
GENERAL CONTINGENCIES	320,650	54,425	571,475	946,550
TOTALS BY PHASE	\$ 3,062,850	\$ 555,825	\$ 6,486,275	\$ 10,114,950
CUMULATIVE WELL COSTS	\$ 3,062,850	\$ 3,618,675	\$ 10,114,950	

APPROVED BY: _____

COMPANY: _____

DATE: _____

BTA OIL PRODUCERS, LLC
WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

Well Name: Ogden 20508 32-29 Fed Com #5H
 4-1/2" production liner; 1.5 mile

Total Depth: 9,450' TVD
 17,142' MD

Location: SHL: 2472' FNL 1357 FWL Sec 32 23S 28E
 BHL: 200' FNL 1980 FWL Sec 29 23S 28E, Eddy County, NM

Formation: Wolfcamp Sand

Date Prepared: 9/14/2017

	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
INTANGIBLE COSTS				
FORMATION EVALUATION	\$	\$	\$	\$
LOGS	20,000		7,200	27,200
LOCATION & ACCESS				0
SURVEY & STAKE	5,000			5,000
DAMAGES	25,000			25,000
ROAD & LOCATION	110,000		25,000	135,000
OTHER LOCATION	200,000			200,000
DRILLING RIG				0
MOBILIZATION	120,000			120,000
DAYWORK	30 585,000	4 78,000		663,000
DRILLING SUPPLIES				0
BITS	80,000			80,000
BHA	50,000		50,000	100,000
FUEL	128,250	18,000		146,250
MUD RELATED				0
MUD PURCHASE	155,000	5,000		160,000
FRESH WATER	50,000	6,000	520,000	575,000
BRINE	50,000			50,000
SOLIDS CONTROL (Centrifuge)	37,950	9,000		46,950
MUD MONITOR	29,000	1,000		30,000
MUD RELATED OTHER	48,000			48,000
DRILLING SERVICES				0
BOP RELATED	15,000	4,000		19,000
CASING RELATED	30,000	45,000		75,000
WELDING	8,000	2,000		10,000
TRUCKING	25,000	10,000	30,000	65,000
RENTAL EQUIP.	90,000	10,000	230,000	330,000
OTHER SERVICES (Direction/GR Services)	215,000			215,000
CEMENT				0
CASING CEMENTING	120,000	110,000		230,000
OTHER CEMENTING			150,000	150,000
CONTRACT SERVICES				0
ENGINEERING	8,000			8,000
GEOLOGICAL	32,000			32,000
ROUSTABOUT	8,000		5,000	13,000
WELLSITE SUPERVISION	108,000	14,400	50,000	172,400
OTHER CONTRACT SERV.	30,000			30,000
COMPLETION SERVICES				0
PULLING UNIT			20,000	20,000
DRILLING RIG				0
PERFORATE			240,000	240,000
STIMULATION			3,700,000	3,700,000
OTHER COMPL. SERV.			180,000	180,000
OVERHEAD				0
DRLG & ADMIN.	10,000		4,800	14,800
TOTAL INTANGIBLE COSTS	\$ 2,382,200	\$ 311,400	\$ 5,211,800	\$ 7,915,400
TANGIBLE COSTS				
TUBULARS				
SURFACE CASING (13 3/8" @ 450')	18,000			18,000
INTERMEDIATE CSG (9 5/8" @ 2,600')	76,000			76,000
DRLG LINER & HANGER				0
PRODUCTION CSG 7" @ 10100	236,000			236,000
PROD LINER & HNGR 4-1/2" @ TD (8000')		90,000		90,000
WELL EQUIPMENT				0
WELL HEAD	22,000	10,000	45,000	77,000
FLOWLINE			10,000	10,000
TUBING			50,000	50,000
SUBSURFACE EQUIP			25,000	25,000
OTHER WELL EQUIP		90,000	3,000	93,000
LEASE EQUIPMENT				0
ELECTRICAL SYSTEM			5,000	5,000
OTHER LEASE EQUIP			575,000	575,000
SUBTOTAL - TANGIBLES	350,000	190,000	713,000	1,253,000
SYSTEMS				
GAS LINE TANGIBLES			0	0
GAS LINE INTANGIBLES			0	0
COMPRESSOR			-	0
GAS PLANT TANGIBLES			-	0
GAS PLANT INTANGIBLES			-	0
DEHYDRATOR			-	0
SUBTOTAL - SYSTEMS	0	0	0	0
TOTAL TANGIBLE COSTS	350,000	190,000	713,000	\$ 1,253,000
GENERAL CONTINGENCIES	320,850	54,425	571,475	946,550
TOTAL \$ BY PHASE	\$ 3,082,850	\$ 555,825	\$ 6,496,275	\$ 10,114,950
CUMULATIVE WELL COSTS	\$ 3,082,850	\$ 3,618,675	\$ 10,114,950	

APPROVED BY: _____

COMPANY: _____

DATE: _____



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET
MIDLAND, TEXAS 79701-5021
432-682-3753
FAX 432-683-0311

CARLTON BEAL, JR.
BARRY BEAL
SPENCER BEAL
KELLY BEAL
BARRY BEAL, JR.
STUART BEAL
ROBERT DAVENPORT, JR.

GULF COAST DISTRICT
TOTAL PLAZA
1201 LOUISIANA STREET, STE. 570
HOUSTON, TEXAS 77002
713-658-0077 FAX 713-655-0346

ROCKY MOUNTAIN DISTRICT
600 17TH STREET, STE. 2230 SOUTH
DENVER, COLORADO 80202
303-534-4404 FAX 303-534-4661

October 25, 2017

Certified Return Receipt
70150640000150986844

In re: BTA – Ogden 20509 32-29 Fed Com #6H
W/2 Section 29 & NW/4 of Section 32-T23S-R28E
Eddy County, New Mexico
BTA 20509 JV-P Ogden, Tr. II

OCT 31 2017

Land Permian

Marathon Oil Company
5555 San Felipe Street
Houston, TX 77056

Attention: Matt S. Tate

Mr. Tate:

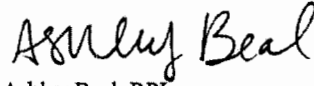
BTA Oil Producers, LLC ("BTA") proposes to drill the BTA-Ogden 20509 32-29 Fed Com #6H well ("the Ogden #6H"). Records indicate that Marathon Oil Permian LLC ("Marathon") owns a 29.6875% working interest in the above described lands. Enclosed for your review and approval are two (2) original AFE(s) to drill and complete the Ogden #6H, a proposed 17,142' MD, and 9,450' TVD horizontal Wolfcamp Sand well with the SHL of 2472' FNL 1,327' FWL of Sec 32, T23S, R28E in Eddy County, New Mexico. The 480 acre spacing unit for the Ogden #5H covers the W/2 of Section 29 and the NW/4 of Section 32, Township 23 South, Range 28 East in Eddy County, New Mexico. Please note that the Ogden #6H is a horizontal well and there will not be a casing point election. The election to participate in drilling the Ogden #6H is also an election to participate in the completion of the Ogden #6H.

Should you elect to participate in the drilling of the Ogden #6H, please so indicate in the space provided and return one (1) executed copy of this letter to the undersigned along with one (1) executed copy of the AFE. A proposed Joint Operating Agreement covering W/2 of Section 29 and the NW/4 of Section 32, Township 23 South, Range 28 East from the top of the Bone Spring formation to the base of the Wolfcamp formation will follow shortly. The anticipated spud date of the Ogden #6H is February 2017.

H (200)

Should you have any questions, or wish to discuss, please call me at (432) 682-3753.

Respectfully,



Ashley Beal, RPL
Landman

_____ Marathon hereby elects to participate in the drilling and completion of the proposed Ogden #6H Ogden 20509 32-29 Fed Com #6H well

_____ Marathon hereby elects NOT to participate in the drilling and completion of the proposed Ogden #6H Ogden 20509 32-29 Fed Com #6H well

Working Interest Owner:

Marathon Oil Permian LLC

By: _____

Title: _____

Date: _____

AB

Enclosures

C:\Users\mlagan\Documents\Land\Letters\AB\Well Proposal - Ogden 20509 32-29 Fed Com #6H (Marathon).docx

BTA OIL PRODUCERS, LLC
WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

Well Name: Ogden 20509 32-29 Fed Com #6H
 4-1/2" production liner; 1.5 mile

Total Depth: 9,450' TVD
 17,142' MD

Location: SHL: 2472' FNL 1327 FWL Sec 32 23S 28E
 BHL: 200' FNL 660 FWL Sec 29 23S 28E, Eddy County, NM

Formation: Wolfcamp Sand

Date Prepared: 9/14/2017

	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
INTANGIBLE COSTS				
FORMATION EVALUATION	\$	\$	\$	\$
LOGS	20,000		7,200	27,200
LOCATION & ACCESS				0
SURVEY & STAKE	5,000			5,000
DAMAGES	25,000			25,000
ROAD & LOCATION	110,000		25,000	135,000
OTHER LOCATION	200,000			200,000
DRILLING RIG				0
MOBILIZATION	120,000			120,000
DAYWORK	30 585,000	4 78,000		663,000
DRILLING SUPPLIES				0
BITS	80,000			80,000
BHA	50,000		50,000	100,000
FUEL	128,250	18,000		146,250
MUD RELATED				0
MUD PURCHASE	155,000	5,000		160,000
MUD RENTAL				0
FRESH WATER	50,000	5,000	520,000	575,000
BRINE	50,000			50,000
SOLIDS CONTROL (Centrifuge)	37,850	9,000		46,850
MUD MONITOR	29,000	1,000		30,000
MUD RELATED OTHER	48,000			48,000
DRILLING SERVICES				0
BOP RELATED	15,000	4,000		19,000
CASING RELATED	30,000	45,000		75,000
WELDING	8,000	2,000		10,000
TRUCKING	25,000	10,000	30,000	65,000
RENTAL EQUIP.	90,000	10,000	230,000	330,000
OTHER SERVICES (Direction/GR Services)	215,000			215,000
CEMENT				0
CASING CEMENTING	120,000	110,000		230,000
OTHER CEMENTING			150,000	150,000
CONTRACT SERVICES				0
ENGINEERING	6,000			6,000
GEOLOGICAL	32,000			32,000
ROUSTABOUT	8,000		5,000	13,000
WELLSITE SUPERVISION	108,000	14,400	50,000	172,400
OTHER CONTRACT SERV.	30,000			30,000
COMPLETION SERVICES				0
PULLING UNIT			20,000	20,000
DRILLING RIG				0
PERFORATE			240,000	240,000
STIMULATION			3,700,000	3,700,000
OTHER COMPL. SERV.			180,000	180,000
OVERHEAD				0
DRLG & ADMIN.	10,000		4,600	14,600
TOTAL INTANGIBLE COSTS	\$ 2,392,200	\$ 311,400	\$ 5,211,800	\$ 7,915,400
TANGIBLE COSTS				
TUBULARS				
SURFACE CASING (13 3/8" @ 450')	16,000			16,000
INTERMEDIATE CSG (9 5/8" @ 2,600')	76,000			76,000
DRLG LINER & HANGER				0
PRODUCTION CSG 7" @10100	236,000			236,000
PROD LINER & HNCR 4-1/2" @ TD (8000')		90,000		90,000
WELL EQUIPMENT				0
WELL HEAD	22,000	10,000	45,000	77,000
FLOWLINE			10,000	10,000
TUBING			50,000	50,000
SUBSURFACE EQUIP			25,000	25,000
OTHER WELL EQUIP		90,000	3,000	93,000
LEASE EQUIPMENT				0
ELECTRICAL SYSTEM			5,000	5,000
OTHER LEASE EQUIP			576,000	576,000
SUBTOTAL - TANGIBLES	350,000	190,000	713,000	1,253,000
SYSTEMS				
GAS LINE TANGIBLES			0	0
GAS LINE INTANGIBLES			0	0
COMPRESSOR			-	0
GAS PLANT TANGIBLES			-	0
GAS PLANT INTANGIBLES			-	0
DEHYDRATOR			-	0
SUBTOTAL - SYSTEMS	0	0	0	0
TOTAL TANGIBLE COSTS	350,000	190,000	713,000	\$ 1,253,000
GENERAL CONTINGENCIES	320,850	54,425	571,475	946,550
TOTALS BY PHASE	\$ 3,062,850	\$ 555,825	\$ 6,496,275	\$ 10,114,950
CUMULATIVE WELL COSTS	\$ 3,062,850	\$ 3,818,675	\$ 10,114,950	

APPROVED BY: _____

COMPANY: _____

DATE: _____

BTA OIL PRODUCERS, LLC
WELL COST ESTIMATE & AUTHORITY FOR EXPENDITURE

Well Name: Ogden 20509 32-29 Fed Com #6H
 4-1/2" production liner; 1.5 mile

Total Depth: 9,450' TVD
 17,142' MD

Location: SHL: 2472' FNL 1327 FWL Sec 32 23S 28E
 BHL: 200' FNL 660 FWL Sec 29 23S 28E, Eddy County, NM

Formation: Wolfcamp Sand

Date Prepared: 9/14/2017

	DRY	CASED HOLE	COMPLETION	TOTAL COSTS
INTANGIBLE COSTS				
FORMATION EVALUATION	\$	\$	\$	\$
LOGS	20,000		7,200	27,200
LOCATION & ACCESS				0
SURVEY & STAKE	5,000			5,000
DAMAGES	25,000			25,000
ROAD & LOCATION	110,000		25,000	135,000
OTHER LOCATION	200,000			200,000
DRILLING RIG				0
MOBILIZATION	120,000			120,000
DAYWORK	30 585,000	4 78,000		663,000
DRILLING SUPPLIES				0
BITS	80,000			80,000
BHA	50,000		50,000	100,000
FUEL	128,250	18,000		146,250
MUD RELATED				0
MUD PURCHASE	155,000	5,000		160,000
MUD RENTAL				0
FRESH WATER	50,000	5,000	520,000	575,000
BRINE	50,000			50,000
SOLIDS CONTROL (Centrifuge)	37,950	9,000		46,950
MUD MONITOR	28,000	1,000		30,000
MUD RELATED OTHER	48,000			48,000
DRILLING SERVICES				0
BOP RELATED	15,000	4,000		19,000
CASING RELATED	30,000	45,000		75,000
WELDING	8,000	2,000		10,000
TRUCKING	25,000	10,000	30,000	85,000
RENTAL EQUIP.	90,000	10,000	230,000	330,000
OTHER SERVICES (Direction/GR Services)	215,000			215,000
CEMENT				0
CASING CEMENTING	120,000	110,000		230,000
OTHER CEMENTING			150,000	150,000
CONTRACT SERVICES				0
ENGINEERING	8,000			8,000
GEOLOGICAL	32,000			32,000
ROUSTABOUT	8,000		5,000	13,000
WELLSITE SUPERVISION	108,000	14,400	50,000	172,400
OTHER CONTRACT SERV.	30,000			30,000
COMPLETION SERVICES				0
PULLING UNIT			20,000	20,000
DRILLING RIG				0
PERFORATE			240,000	240,000
STIMULATION			3,700,000	3,700,000
OTHER COMPL. SERV.			160,000	160,000
OVERHEAD				0
DRLG & ADMIN.	10,000		4,600	14,600
TOTAL INTANGIBLE COSTS	\$ 2,382,200	\$ 311,400	\$ 5,211,800	\$ 7,915,400
TANGIBLE COSTS				
TUBULARS				
SURFACE CASING (13 3/8" @ 450')	16,000			16,000
INTERMEDIATE CSG (9 5/8" @ 2,600')	76,000			76,000
DRLG LINER & HANGER				0
PRODUCTION CSG 7" @10'100	236,000			236,000
PROD LINER & HNGR 4-1/2" @ TD (8000')		90,000		90,000
WELL EQUIPMENT				0
WELL HEAD	22,000	10,000	45,000	77,000
FLOWLINE			10,000	10,000
TUBING			50,000	50,000
SUBSURFACE EQUIP			25,000	25,000
OTHER WELL EQUIP		90,000	3,000	93,000
LEASE EQUIPMENT				0
ELECTRICAL SYSTEM			5,000	5,000
OTHER LEASE EQUIP			575,000	575,000
SUBTOTAL - TANGIBLES	350,000	190,000	713,000	1,253,000
SYSTEMS				
GAS LINE TANGIBLES			0	0
GAS LINE INTANGIBLES			0	0
COMPRESSOR			-	0
GAS PLANT TANGIBLES			-	0
GAS PLANT INTANGIBLES			-	0
DEHYDRATOR			-	0
SUBTOTAL - SYSTEMS	0	0	0	0
TOTAL TANGIBLE COSTS	350,000	190,000	713,000	\$ 1,253,000
GENERAL CONTINGENCIES	320,850	54,425	571,475	946,550
TOTALS BY PHASE	\$ 3,062,850	\$ 555,825	\$ 6,496,275	\$ 10,114,950
CUMULATIVE WELL COSTS	\$ 3,062,850	\$ 9,618,675	\$ 10,114,950	

APPROVED BY: _____

COMPANY: _____

DATE: _____

Jennifer L. Bradfute

From: Willis Price <WPrice@btaoil.com>
Sent: Thursday, February 01, 2018 3:04 PM
To: Rice, Chase F. (MRO)
Subject: [External] RE: Ogden area - Marathon AFE
Attachments: revised Ogden 6H AFE.PDF; revised Ogden 5H AFE.PDF

Beware of links/attachments.

Chase:

Per our telephone conference recently, attached are the revised AFE's for the Ogden #5H & #6H reflecting pad savings, average drilling days in the area, current frac prices, completed construction on the lease and 6% contingency (last AFE reflected 12.5% contingency). Thanks.



Willis Price
Land Manager
BTA Oil Producers, LLC
104 South Pecos
Midland, Texas 79701
Phone (432) 682-3753
Fax (432) 683-0311
Cell (432) 638-6810
E-mail wprice@btaoil.com

From: Rice, Chase F. (MRO) [<mailto:cfrice@marathonoil.com>]
Sent: Wednesday, January 31, 2018 7:10 AM
To: Willis Price <WPrice@btaoil.com>
Cc: Ashley Beal <ABeal@btaoil.com>
Subject: Ogden area - Marathon AFE

Willis, please see the attached AFE that outlines Marathon's costs for a 1.5 mile lateral equivalent to the BTA Ogden well(s). Could you please forward the AFE to the appropriate people at BTA.

We would prefer to trade out of this acreage. Our Focus areas are:

Eddy:

T23S 28E

T23S 29E (W/2 of Township)

T23S 29E (E/2 of Township)

T26S 29E

T25S 29E

LEA:

T24S 34E

T24S 35E (W/2)

H(300)

T25S 34E
T25S 35E (w/2)
T26S 34E
T26S 35E

Chase Rice
Staff Land Professional
5555 San Felipe Street
Houston, Texas 77056
Telephone: 713-296-3055
Fax: 713.513.4006
cprice@marathonoil.com



4/19/2018

BTA Oil Producers, LLC
Attn: Land Department
104 South Pecos Street
Midland, Texas 79701

BTA Oil Producers, LLC:

Marathon Oil Permian LLC ("MRO") proposes the drilling of the following wells located in the West half (W/2) of Section 29, T23S-R28E, Eddy County, New Mexico all to be drilled from the same surface pad location with a planned spud date of August 15, 2018.

- **Zeus Fee 23 28 29 WD 11H** with a proposed first take point located approximately 330' FWL and 330' FSL of Section 29-T23S-R28E and a proposed last take point located 330' FWL and 330' FNL of Section 29-T23S-R28E. The well will have a targeted interval located in the WolfCamp Formation (~10,300' TVD) with a lateral length of approximately 4,700'. The total estimated drilling and completion cost is \$6,744,521 as shown in the attached AFE.
- **Zeus Fee 23 28 29 WA 14H** with a proposed first take point located approximately 1320' FWL and 330' FSL of Section 29-T23S-R28E, and a proposed last take point located 1320' FWL and 330' FNL of Section 29-T23S-R28E. The well will have a targeted interval located in the WolfCamp Formation (~9577' TVD) with a lateral length of approximately 4,700'. The total estimated drilling and completion cost is \$6,715,074 as shown in the attached AFE.
- **Zeus Fee 23 28 29 WD 18H** with a proposed first take point located approximately 2310' FWL and 330' FSL of Section 29-T23S-R28E, and a proposed last take point located 2310' FWL and 330' FNL of Section 29-T23S-R28E. The well will have a targeted interval located in the WolfCamp Formation (~10150' TVD) with a lateral length of approximately 4,700'. The total estimated drilling and completion cost is \$6,737,715 as shown in the attached AFE.
- **Zeus Fee 23 28 29 WD 20H** with a proposed first take point located approximately 990' FWL and 330' FSL of Section 29-T23S-R28E, and a proposed last take point located 990' FWL and 330' FNL of Section 29-T23S-R28E. The well will have a targeted interval located in the WolfCamp Formation (~10100' TVD) with a lateral length of approximately 4,700'. The total estimated drilling and completion cost is \$6,730,910 as shown in the attached AFE.
- **Zeus Fee 23 28 29 SB 13H** with a proposed first take point located approximately 660' FWL and 330' FNL of Section 29-T23S-R28E, and a proposed last take point located 660' FWL and 330' FSL of Section 29-T23S-R28E. The well will have a targeted interval located in the Bone Spring Formation (~7880' TVD) with a lateral

5(100)

length of approximately 4,700'. The total estimated drilling and completion cost is \$6,517,907 as shown in the attached AFE.

- **Zeus Fee 23 28 29 SB 19H** with a proposed first take point located approximately 660' FWL and 330' FNL of Section 29-T23S-R28E, and a proposed last take point located 660' FWL and 330' FSL of Section 29-T23S-R28E. The well will have a targeted interval located in the Bone Spring Formation (~7920' TVD) with a lateral length of approximately 4,700'. The total estimated drilling and completion cost is \$6,518,977 as shown in the attached AFE.

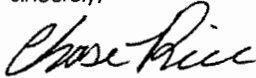
These proposed locations and target depths are subject to change depending on any surface or subsurface concerns encountered. The AFE's represent an estimate of the costs that will be incurred to drill and complete the wells, but those electing to participate in the wells are responsible for their proportionate share of the actual costs incurred.

Should BTA Oil Producers, LLC wish to participate in the well(s) please execute and return one copy of the AFE for each well along with copy of this letter indicating your election for each well. BTA Oil Producers, LLC estimated working interest is 53.90625% as to the 320 acre W/2 Section 29 T23S R28E contemplated JOA contract area. A JOA will be sent for your review and approval.

Due to lease retention requirements, **Marathon will submit an application for Compulsory Pooling Order with the New Mexico Oil Conservation Division within 30 days of your receipt of this letter.**

Should you have any questions regarding this or other matters, please don't hesitate to contact me at the above listed numbers.

Sincerely,



Chase Rice, CPL

ZEUS FEE 23 28 29

_____	elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 11H well.
_____	elects to NOT participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 11H well.
_____	elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WA 14H well.
_____	elects to NOT participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WA 14H well.
_____	elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 18H well.
_____	elects to NOT participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 18H well.
_____	elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 20H well.
_____	elects to NOT participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 WD 20H well.
_____	elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 SB 13H well.
_____	elects to NOT participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 SB 13H well.
_____	elects to participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 SB 19H well.
_____	elects to NOT participate in the drilling, completing, and equipping of the Zeus Fee 23 28 29 SB 19H well.



Drilling Project #
Pad Project #
DATE: 4/18/2018

Permian Asset Team	
Field <u>0</u>	Location <u>0</u> Rig <u>480</u>
Lease / Facility <u>ZEUS FEE 23 28 29 WD 11H</u>	State <u>NEW MEXICO</u>
Operator <u>MARATHON OIL PERMIAN LLC</u>	County/Parish <u>EDDY</u>
	Estimated Start Date _____
	Estimated Completion Date _____
Estimated Gross Cost This AFE: <u>\$6,744,521</u>	
Project Description & Reason for Expenditure: <u>Drill, Complete, & Equip a Horizontal Well</u>	

Prepared By: AG PRADEEP, MATTHEW RUGAARD, JOSH SHANNON, MATT HENSCHEN, BILLY MOORE/MATT HENSEN,

Final Approval

Date: _____
Title: Regional Vice President Permian Asset Team

Participant's Approval

Name of
Company: _____

Signature: _____

Title: _____ Date: _____

J(200)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018
 DRILLING & LOCATION PREPARED BY MATTHEW RUGAARD
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY BILLY MOORE/MATT HENSEN

Asset Team	PERMIAN		
Field	0	FORMATION: WOLFCAMP	WILDCAT
Lease/Facility	ZEUS FEE 23 28 29 WD 11H		EXPLORATION
Location	EDDY COUNTY		DEVELOPMENT
Prospect	MALAGA		X EXPLOITATION
			WORKOVER

Est Total Depth 15,200 Est Drilling Days _____ Est Completion Days 5.5

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATEO COST
7001270	Location and Access	33,750
7001250	Land Broker Fees and Services	37,500
TOTAL LOCATION COST - INTANGIBLE		71,250

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	17,000
7012050	Intermediate Casing 1	68,000
7012050	Intermediate Casing 2	216,000
7012050	Production Casing	61,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	55,000
7012550	Drilling Wellhead Equipment	50,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	5,000
TOTAL DRILLING - TANGIBLE		524,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	416,325
7019040	Directional Drilling Services	159,400
7019020	Cement and Cementing Service Surface	15,000
7019020	Cement and Cementing Service Intermediate 1	25,000
7019020	Cement and Cementing Service Intermediate 2	40,000
7019020	Cement and Cementing Service Production	45,000
7019140	Mud Fluids & Services	63,200
7012310	Solids Control equipment	35,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	61,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7012350	Water (potable)	5,000
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	8,000
7019250	Stabilizers, Hole Openers, Underreamers (OH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	60,000
7001160	Contract Services - Disposal/Non-Hazardous Waste	80,000
7001440	Vacuum Trucks	10,000
7000030	Contract Labor - general	30,000
7000030	Contract Labor - Operations	3,000
7001200	Contract Services - Facilities	10,000
7019300	Well Services - Well Control Services	19,913
7019350	Well Services - Well/Wellhead Services	10,000
7018150	Rental Tools and Equipment (surface rentals)	79,300
7018150	Rig Equipment and Misc.	9,913
7001110	Telecommunications Services	5,000
7001120	Consulting Services	93,178
7001400	Safety and Environmental	31,720
7018120	Rental Buildings (trailers)	15,860
7019310	Coring (sidewalls & analysis)	-
7011010	7% Contingency & Taxes	146,672
TOTAL DRILLING - INTANGIBLE		\$1,717,979

TOTAL DRILLING COST

\$2,241,979

COMPLETION - TANGIBLE

7012580	Tubing	50,000
7012040	Tubing Accessories (nipple, wireline entry)	5,000
7012550	Wellhead Equip	5,000
7012560	Packers - Completion Equipment	37,000
TOTAL COMPLETION - TANGIBLE		\$97,000

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018

Asset Team PERMIAN
 Field FORMATION: WOLFCAMP
 Lease/Facility ZEUS FEE 23 28 29 WD 11H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	5,000
7019220	Drilling Rig During Completion	35,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	120,000
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drilg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	125,000
7019320	Fracturing Services	2,100,000
7019330	Perforating	175,000
7019360	Wireline Services	10,000
7001460	Water Hauling & Disposal (frac fluids)	200,000
7016180	Freight - Truck (haul pipe; drilg & compl)	10,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (Incl drilg; lghtplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	-
7000030	Contract Labor - general	25,000
7001110	Telecommunications Services	90,000
7001400	Safety and Environmental	-
7001120	Consulting Services	40,000
7018150	Zipper Manifold	110,000
7019300	Frack Stack Rentals	40,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lghtplants)	65,000
7018120	Rental Buildings (trailers)	15,000
7000030	Contract Labor - Pumping (pump-down pumps)	15,000
7011010	8% Contingency & Taxes	258,200
TOTAL COMPLETION - INTANGIBLE		\$3,438,200
TOTAL COMPLETION COST		\$3,535,200

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	86,765
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	69,528
7001110	Telecommunication equip (Telemetry)	-
7012410	Une Pipe & Accessories	27,078
7012270	Miscellaneous Materials (containment system)	43,047
7008060	SCADA	-
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	250,831
7012190	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	150,281
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	29,116
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$817,092
TOTAL SURFACE EQUIPMENT COST		\$ 817,092

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Plg Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000
TOTAL ARTIFICIAL LIFT COST		\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 71,250
TOTAL DRILLING COST	\$ 2,241,979
TOTAL COMPLETIONS COST	\$ 3,535,200
TOTAL SURFACE EQUIPMENT COST	\$ 817,092
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,744,521



Drilling Project #
Pad Project #
DATE: 4/18/2018

Permian Asset Team	
Field	0
Location	0
Lease / Facility	ZEUS FEE 23 28 29 WA 14H
Operator	MARATHON OIL PERMIAN LLC
State	NEW MEXICO
County/Parish	EDDY
Estimated Start Date	
Estimated Completion Date	
Estimated Gross Cost This AFE: \$6,715,074	
Project Description & Reason for Expenditure: Drill, Complete, & Equip a Horizontal Well	

Prepared By: AG PRADEEP, MATTHEW RUGAARD, JOSH SHANNON, MATT HENSCHEN, BILLY MOORE/MATT HENSEN,

Final Approval

Title: Regional Vice President Permian Asset Team Date:

Participant's Approval

Name of
Company: _____

Signature: _____

Title: _____ Date: _____

J(300)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018
 DRILLING & LOCATION PREPARED BY MATTHEW RUGAARD
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY BILLY MOORE/MATT HENSEN

Asset Team	PERMIAN			
Field	0	FORMATION: WOLFCAMP	WILDCAT	EXPLORATION
Lease/Facility	ZEUS FEE 23 28 29 WA 14H		DEVELOPMENT	RECOMPLETION
Location	EDDY COUNTY		X EXPLOITATION	WORKOVER
Prospect	MALAGA			

Est Total Depth	14,515	Est Drilling Days		Est Completion Days	5.5
-----------------	--------	-------------------	--	---------------------	-----

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	33,750
7001250	Land Broker Fees and Services	37,500
TOTAL LOCATION COST - INTANGIBLE		71,250

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	17,000
7012050	Intermediate Casing 1	68,000
7012050	Intermediate Casing 2	225,000
7012050	Production Casing	60,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	55,000
7012550	Drilling Wellhead Equipment	50,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	5,000
TOTAL DRILLING - TANGIBLE		532,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	401,625
7019040	Directional Drilling Services	152,750
7019020	Cement and Cementing Service Surface	15,000
7019020	Cement and Cementing Service Intermediate 1	25,000
7019020	Cement and Cementing Service Intermediate 2	40,000
7019020	Cement and Cementing Service Production	45,000
7019140	Mud Fluids & Services	62,500
7012310	Solids Control equipment	33,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	59,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7012350	Water (potable)	5,000
7019000	Well Logging Services	-
7019150	Mud Logging+geosteering	7,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	60,000
7001160	Contract Services - Disposal/Non-Hazardous Waste	80,000
7001440	Vacuum Trucks	10,000
7000030	Contract Labor - general	30,000
7000030	Contract Labor - Operations	3,000
7001200	Contract Services - Facilities	10,000
7019300	Well Services - Well Control Services	19,563
7019350	Well Services - Well/Wellhead Services	10,000
7018150	Rental Tools and Equipment (surface rentals)	76,500
7018150	Rig Equipment and Misc.	9,563
7001110	Telecommunications Services	5,000
7001120	Consulting Services	89,888
7001400	Safety and Environmental	30,600
7018120	Rental Buildings (trailers)	15,300
7019310	Coring (sidewalls & analysis)	-
7011010	7% Contingency & Taxes	144,745
TOTAL DRILLING - INTANGIBLE		\$1,680,533

TOTAL DRILLING COST

\$2,212,533

COMPLETION - TANGIBLE

7012580	Tubing	50,000
7012040	Tubing Accessories (nipple, wireline entry)	5,000
7012550	Wellhead Equip	5,000
7012560	Packers - Completion Equipment	37,000
TOTAL COMPLETION - TANGIBLE		\$97,000

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018

Asset Team PERMIAN
 Field FORMATION: WOLFCAMP
 Lease/Facility ZEUS FEE 23 28 29 WA 14H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	5,000
7019220	Drilling Rig During Completion	35,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	120,000
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	125,000
7019320	Fracturing Services	2,100,000
7019330	Perforating	175,000
7019360	Wireline Services	10,000
7001460	Water Hauling & Disposal (frac fluids)	200,000
7016180	Freight - Truck (haul pipe; drlg & compl)	10,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. BIT, BHA)	-
7000030	Contract Labor - general	25,000
7001110	Telecommunications Services	90,000
7001400	Safety and Environmental	-
7001120	Consulting Services	40,000
7018150	Zipper Manifold	110,000
7019300	Frack Stack Rentals	40,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	65,000
7018120	Rental Buildings (trailers)	15,000
7000030	Contract Labor - Pumping (pump-down pumps)	15,000
7011010	8% Contingency & Taxes	258,200
TOTAL COMPLETION - INTANGIBLE		\$3,438,200
TOTAL COMPLETION COST		\$3,535,200

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	86,765
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	69,528
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	27,078
7012270	Miscellaneous Materials (containment system)	43,047
7008060	SCADA	-
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	250,831
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	150,281
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	29,116
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$817,092
TOTAL SURFACE EQUIPMENT COST		\$ 817,092

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Plg Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000
TOTAL ARTIFICIAL LIFT COST		\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 71,250
TOTAL DRILLING COST	\$ 2,212,533
TOTAL COMPLETIONS COST	\$ 3,535,200
TOTAL SURFACE EQUIPMENT COST	\$ 817,092
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,715,074



Drilling Project #
Pad Project #
DATE: 4/18/2018

Permian Asset Team	
Field	0
Location	0
State	NEW MEXICO
County/Parish	EDDY
Lease / Facility	ZEUS FEE 23-28-29 SB 13H
Operator	MARATHON OIL PERMIAN LLC
Estimated Start Date	
Estimated Completion Date	
Estimated Gross Cost This AFE: \$6,517,907	
Project Description & Reason for Expenditure: Drill, Complete, & Equip a Horizontal Well	

Prepared By: AG PRADEEP, MATTHEW RUGAARD, JOSH SHANNON, MATT HENSCHEN, BILLY MOORE/MATT HENSEN,

Final Approval

Title: Regional Vice President Permian Asset Team Date:

Participant's Approval

Name of Company:

Signature:

Title: Date:

J(4)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018
 DRILLING & LOCATION PREPARED BY MATTHEW RUGAARD
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY BILLY MOORE/MATT HENSEN

Asset Team	PERMIAN			
Field	0	FORMATION: 2ND BONE SPRINGS	WILDCAT	EXPLORATION
Lease/Facility	ZEUS FEE 23-28-29 SB 13H		DEVELOPMENT	RECOMPLETION
Location	EDDY COUNTY		X EXPLOITATION	WORKOVER
Prospect	MALAGA			

Est Total Depth	12,780	Est Drilling Days		Est Completion Days	5.5
-----------------	--------	-------------------	--	---------------------	-----

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	67,500
7001250	Land Broker Fees and Services	75,000
TOTAL LOCATION COST - INTANGIBLE		142,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	17,000
7012050	Intermediate Casing 1	68,000
7012050	Intermediate Casing 2	-
7012050	Production Casing	192,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	-
7012550	Drilling Wellhead Equipment	50,000
7012040	Casing & Tubing Access	18,000
7012270	Miscellaneous MRO Materials	5,000
TOTAL DRILLING - TANGIBLE		378,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	65,000
7019220	Drilling Rig - day work/footage	364,350
7019040	Directional Drilling Services	125,200
7019020	Cement and Cementing Service	15,000
7019020	Cement and Cementing Service	25,000
7019020	Cement and Cementing Service	-
7019020	Cement and Cementing Service	80,000
7019140	Mud Fluids & Services	59,600
7012310	Solids Control equipment	28,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	53,000
7019140	Fuel (Mud)	-
7001460	Water (non potable)	25,000
7012350	Water (potable)	5,000
7019000	Well Logging Services	-
7019150	Mud Logging/geosteering	6,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	60,000
7001160	Contract Services - Disposal/Non-Hazardous Waste	80,000
7001440	Vacuum Trucks	10,000
7000030	Contract Labor - general	30,000
7000030	Contract Labor - Operations	3,000
7001200	Contract Services - Facilities	10,000
7019300	Well Services - Well Control Services	18,675
7019350	Well Services - Well/Wellhead Services	10,000
7018150	Rental Tools and Equipment (surface rentals)	69,400
7018150	Rig Equipment and Misc.	8,675
7001110	Telecommunications Services	5,000
7001120	Consulting Services	81,545
7001400	Safety and Environmental	27,760
7018120	Rental Buildings (trailers)	13,880
7019310	Coring (sidewalls & analysis)	-
7011010	7% Contingency & Taxes	127,546
TOTAL DRILLING - INTANGIBLE		\$1,571,631

TOTAL DRILLING COST

\$1,949,631

COMPLETION - TANGIBLE

7012580	Tubing	50,000
7012040	Tubing Accessories (nipple, wireline entry)	5,000
7012550	Wellhead Equip	5,000
7012560	Packers - Completion Equipment	37,000
TOTAL COMPLETION - TANGIBLE		\$97,000

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018

Asset Team PERMIAN
 Field FORMATION: 2ND BONE SPRINGS
 Lease/Facility ZEUS FEE 23-28-29 SB 13H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	5,000
7019220	Drilling Rig During Completion	35,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	120,000
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	125,000
7019320	Fracturing Services	2,100,000
7019330	Perforating	175,000
7019360	Wireline Services	10,000
7001460	Water Hauling & Disposal (frac fluids)	200,000
7016180	Freight - Truck (haul pipe; drlg & compl)	10,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	-
7000030	Contract Labor - general	25,000
7001110	Telecommunications Services	90,000
7001400	Safety and Environmental	-
7001120	Consulting Services	40,000
7018150	Zipper Manifold	110,000
7019300	Frac Stack Rentals	40,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	65,000
7018120	Rental Buildings (trailers)	15,000
7000030	Contract Labor - Pumping (pump-down pumps)	15,000
7011010	8% Contingency & Taxes	258,200
TOTAL COMPLETION - INTANGIBLE		\$3,438,200

TOTAL COMPLETION COST

\$3,535,200

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576

TOTAL SURFACE EQUIPMENT COST

\$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST

\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

TOTAL COST

TOTAL LOCATION COST	\$ 142,500
TOTAL DRILLING COST	\$ 1,949,631
TOTAL COMPLETIONS COST	\$ 3,535,200
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,517,907



Drilling Project #
Pad Project #
DATE: 4/18/2018

Permian Asset Team	
Field	0
Location	0
State	NEW MEXICO
Lease / Facility	ZEUS FEE 23 28 29 WD 18H
County/Parish	EDDY
Operator	MARATHON OIL PERMIAN LLC
Estimated Start Date	
Estimated Completion Date	
Estimated Gross Cost This AFE: \$6,737,715	
Project Description & Reason for Expenditure: Drill, Complete, & Equip a Horizontal Well	

Prepared By: AG PRADEEP, MATTHEW RUGAARD, JOSH SHANNON, MATT HENSCHEN, BILLY MOORE/MATT HENSEN,

Final Approval

Date: _____
Title: Regional Vice President Permian Asset Team

Participant's Approval

Name of Company: _____
Signature: _____
Title: _____ Date: _____

J(5)

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018
 DRILLING & LOCATION PREPARED BY MATTHEW RUGAARD
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY BILLY MOORE/MATT HENSEN

Asset Team	PERMIAN	FORMATION: WOLFCAMP	WILDCAT	EXPLORATION
Field	0		DEVELOPMENT	RECOMPLETION
Lease/Facility	ZEUS FEE 23 28 29 WD 18H		X EXPLOITATION	WORKOVER
Location	EDDY COUNTY			
Prospect	MALAGA			

Est Total Depth 15,056 Est Drilling Days _____ Est Completion Days 5.5

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	33,750
7001250	Land Broker Fees and Services	37,500
TOTAL LOCATION COST - INTANGIBLE		71,250

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	17,000
7012050	Intermediate Casing 1	68,000
7012050	Intermediate Casing 2	216,000
7012050	Production Casing	60,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	55,000
7012550	Drilling Wellhead Equipment	50,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	5,000
TOTAL DRILLING - TANGIBLE		523,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	414,225
7019040	Directional Drilling Services	158,450
7019020	Cement and Cementing Service Surface	15,000
7019020	Cement and Cementing Service Intermediate 1	25,000
7019020	Cement and Cementing Service Intermediate 2	40,000
7019020	Cement and Cementing Service Production	45,000
7019140	Mud Fluids & Services	63,100
7012310	Solids Control equipment	34,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	61,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7012350	Water (potable)	5,000
7019000	Well Logging Services	-
7019150	Mud Logging/geosteering	8,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	60,000
7001160	Contract Services - Disposal/Non-Hazardous Waste	80,000
7001440	Vacuum Trucks	10,000
7000030	Contract Labor - general	30,000
7000030	Contract Labor - Operations	3,000
7001200	Contract Services - Facilities	10,000
7019300	Well Services - Well Control Services	19,863
7019350	Well Services - Well/Wellhead Services	10,000
7018150	Rental Tools and Equipment (surface rentals)	78,900
7018150	Rig Equipment and Misc.	9,863
7001110	Telecommunications Services	5,000
7001120	Consulting Services	92,708
7001400	Safety and Environmental	31,560
7018120	Rental Buildings (trailers)	15,780
7019310	Coring (sidewalls & analysis)	-
7011010	7% Contingency & Taxes	146,226
TOTAL DRILLING - INTANGIBLE		\$1,712,174

TOTAL DRILLING COST

\$2,235,174

COMPLETION - TANGIBLE

7012580	Tubing	50,000
7012040	Tubing Accessories (nipple, wireline entry)	5,000
7012550	Wellhead Equip	5,000
7012560	Packers - Completion Equipment	37,000
TOTAL COMPLETION - TANGIBLE		\$97,000

MARATHON OIL PERMIAN LLC
AUTHORITY FOR EXPENDITURE
DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018

Asset Team PERMIAN
Field FORMATION: WOLFCAMP
Lease/Facility ZEUS FEE 23 28 29 WD 18H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	5,000
7019220	Drilling Rig During Completion	35,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	120,000
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	125,000
7019320	Fracturing Services	2,100,000
7019330	Perforating	175,000
7019360	Wireline Services	10,000
7001460	Water Hauling & Disposal (frac fluids)	200,000
7016180	Freight - Truck (haul pipe; drlg & compl)	10,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drlg; lightplant, hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	-
7000030	Contract Labor - general	25,000
7001110	Telecommunications Services	90,000
7001400	Safety and Environmental	-
7001120	Consulting Services	40,000
7018150	Zipper Manifold	110,000
7019300	Frack Stack Rentals	40,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	65,000
7018120	Rental Buildings (trailers)	15,000
7000030	Contract Labor - Pumping (pump-down pumps)	15,000
7011010	8% Contingency & Taxes	258,200
TOTAL COMPLETION - INTANGIBLE		\$3,438,200
TOTAL COMPLETION COST		\$3,535,200

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	86,765
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	69,528
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	27,078
7012270	Miscellaneous Materials (containment system)	43,047
7008060	SCADA	-
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	250,831
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	150,281
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	29,116
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$817,092
TOTAL SURFACE EQUIPMENT COST		\$ 817,092

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Welhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000
TOTAL ARTIFICIAL LIFT COST		\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 71,250
TOTAL DRILLING COST	\$ 2,235,174
TOTAL COMPLETIONS COST	\$ 3,535,200
TOTAL SURFACE EQUIPMENT COST	\$ 817,092
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,737,715

Permian Asset Team	
Field	<u>0</u>
Location	<u>0</u> Rig <u>480</u>
Lease / Facility	<u>ZEUS FEE 23-28-29 SB 19H</u>
Operator	<u>MARATHON OIL PERMIAN LLC</u>
State	<u>NEW MEXICO</u>
County/Parish	<u>EDDY</u>
Estimated Start Date	
Estimated Completion Date	
Estimated Gross Cost This AFE: <u>\$6,518,977</u>	
Project Description & Reason for Expenditure: <u>Drill, Complete, & Equip a Horizontal Well</u>	

Prepared By: AG PRADEEP, , MATTHEW RUGAARD, JOSH SHANNON, MATT HENSCHEN, BILLY MOORE/MATT HENSEN, ,

Final Approval

Date: _____
Title: Regional Vice President Permian Asset Team

Participant's Approval

Name of
Company: _____

Signature: _____

Title: _____ Date: _____

MARATHON OIL PERMIAN LLC
AUTHORITY FOR EXPENDITURE
DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018
DRILLING & LOCATION PREPARED BY MATTHEW RUGAARD
COMPLETION PREPARED BY JOSH SHANNON
FACILITIES PREPARED BY MATT HENSCHEN
ARTIFICIAL LIFT PREPARED BY BILLY MOORE/MATT HENSEN

Asset Team	PERMIAN		
Field	0	FORMATION: 2ND BONE SPRINGS	WILDCAT
Lease/Facility	ZEUS FEE 23-28-29 58 19H		DEVELOPMENT
Location	EDDY COUNTY		X EXPLOITATION
Prospect	MALAGA		WORKOVER

Est Total Depth	12,820	Est Drilling Days		Est Completion Days	5.5
-----------------	--------	-------------------	--	---------------------	-----

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	67,500
7001250	Land Broker Fees and Services	75,000
TOTAL LOCATION COST - INTANGIBLE		142,500

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	17,000
7012050	Intermediate Casing 1	68,000
7012050	Intermediate Casing 2	-
7012050	Production Casing	193,000
7012050	Drig Liner Hanger, Tieback Eq & Csg Accessories	-
7012550	Drilling Wellhead Equipment	50,000
7012040	Casing & Tubing Access	18,000
7012270	Miscellaneous MRO Materials	5,000
TOTAL DRILLING - TANGIBLE		379,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	65,000
7019220	Drilling Rig - day work/footage	364,350
7019040	Directional Drilling Services	125,200
7019020	Cement and Cementing Service	15,000
7019020	Cement and Cementing Service	25,000
7019020	Cement and Cementing Service	-
7019020	Cement and Cementing Service	80,000
7019140	Mud Fluids & Services	59,600
7012310	Solids Control equipment	28,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	53,000
7019140	Fuel (Mud)	-
7001460	Water (non potable)	25,000
7012350	Water (potable)	5,000
7019000	Well Logging Services	-
7019150	Mud Logging-geosteering	6,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	60,000
7001160	Contract Services - Disposal/Non-Hazardous Waste	80,000
7001440	Vacuum Trucks	10,000
7000030	Contract Labor - general	30,000
7000030	Contract Labor - Operations	3,000
7001200	Contract Services - Facilities	10,000
7019300	Well Services - Well Control Services	18,675
7019350	Well Services - Well/Wellhead Services	10,000
7018150	Rental Tools and Equipment (surface rentals)	69,400
7018150	Rig Equipment and Misc.	8,675
7001110	Telecommunications Services	5,000
7001120	Consulting Services	81,545
7001400	Safety and Environmental	27,760
7018120	Rental Buildings (trailers)	13,880
7019310	Coring (sidewalls & analysis)	-
7011010	7% Contingency & Taxes	127,616
TOTAL DRILLING - INTANGIBLE		\$1,571,701

TOTAL DRILLING COST

\$1,950,701

COMPLETION - TANGIBLE

7012580	Tubing	50,000
7012040	Tubing Accessories (nipple, wireline entry)	5,000
7012550	Wellhead Equip	5,000
7012560	Packers - Completion Equipment	37,000
TOTAL COMPLETION - TANGIBLE		\$97,000

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018

Asset Team PERMIAN
 Field FORMATION: 2ND BONE SPRINGS
 Lease/Facility ZEUS FEE 23-28-29 5B 19H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	5,000
7019220	Drilling Rig During Completion	35,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	120,000
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	125,000
7019320	Fracturing Services	2,100,000
7019330	Perforating	175,000
7019350	Wireline Services	10,000
7001450	Water Hauling & Disposal (frac fluids)	200,000
7016190	Freight - Truck (haul pipe; drlg & compl)	10,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (incl drlg; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	-
7000030	Contract Labor - general	25,000
7001110	Telecommunications Services	90,000
7001400	Safety and Environmental	-
7001120	Consulting Services	40,000
7018150	Zipper Manifold	110,000
7019300	Frac Stack Rentals	40,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	65,000
7018150	Rental Buildings (trailers)	15,000
7000030	Contract Labor - Pumping (pump-down pumps)	15,000
7011010	8% Contingency & Taxes	258,200
TOTAL COMPLETION - INTANGIBLE		\$3,438,200

TOTAL COMPLETION COST

\$3,535,200

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	103,535
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	64,625
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	33,891
7012270	Miscellaneous Materials (containment system)	52,263
7008060	SCADA	3,494
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	211,962
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	77,572
7012500	Tanks	149,333
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	32,027
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$811,576

TOTAL SURFACE EQUIPMENT COST

\$ 811,576

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	9,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST

\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

TOTAL COST

TOTAL LOCATION COST	\$ 142,500
TOTAL DRILLING COST	\$ 1,950,701
TOTAL COMPLETIONS COST	\$ 3,535,200
TOTAL SURFACE EQUIPMENT COST	\$ 811,576
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,518,977



Drilling Project #
Pad Project #
DATE: 4/18/2018

Permian Asset Team	
Field	0
Location	0
Rig	480
Lease / Facility	ZEUS FEE 23 28 29 WD 20H
Operator	MARATHON OIL PERMIAN LLC
State	NEW MEXICO
County/Parish	EDDY
Estimated Start Date	
Estimated Completion Date	
Estimated Gross Cost This AFE: \$6,730,910	
Project Description & Reason for Expenditure: Drill, Complete, & Equip a Horizontal Well	

Prepared By: AG PRADEEP, , MATTHEW RUGAARD, JOSH SHANNON, MATT HENSCHEN, BILLY MOORE/MATT HENSEN, ,

Final Approval

Title: Regional Vice President Permian Asset Team Date: _____

Participant's Approval

Name of Company: _____

Signature: _____

Title: _____ Date: _____

47

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018
 DRILLING & LOCATION PREPARED BY MATTHEW RUGAARD
 COMPLETION PREPARED BY JOSH SHANNON
 FACILITIES PREPARED BY MATT HENSCHEN
 ARTIFICIAL LIFT PREPARED BY BILLY MOORE/MATT HENSEN

Asset Team	PERMIAN			
Field	0	FORMATION: WOLFCAMP	WILDCAT	EXPLORATION
Lease/Facility	ZEUS FEE 23 28 29 WD 20H		DEVELOPMENT	RECOMPLETION
Location	EDDY COUNTY		X EXPLOITATION	WORKOVER
Prospect	MALAGA			
Est Total Depth	15,006	Est Drilling Days		Est Completion Days 5.5

LOCATION COST - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access	33,750
7001250	Land Broker Fees and Services	37,500
TOTAL LOCATION COST - INTANGIBLE		71,250

DRILLING COST - TANGIBLE

7012050	Conductor Pipe	28,000
7012050	Surface Casing	17,000
7012050	Intermediate Casing 1	68,000
7012050	Intermediate Casing 2	216,000
7012050	Production Casing	59,000
7012050	Drill Liner Hanger, Tieback Eq & Csg Accessories	55,000
7012550	Drilling Wellhead Equipment	50,000
7012040	Casing & Tubing Access	24,000
7012270	Miscellaneous MRO Materials	5,000
TOTAL DRILLING - TANGIBLE		522,000

DRILLING COST - INTANGIBLE

7019200	Drilling Rig Mob/Demob	32,500
7019220	Drilling Rig - day work/footage	412,125
7019040	Directional Drilling Services	157,500
7019020	Cement and Cementing Service	15,000
7019020	Cement and Cementing Service	25,000
7019020	Cement and Cementing Service	40,000
7019020	Cement and Cementing Service	45,000
7019140	Mud Fluids & Services	63,000
7012310	Solids Control equipment	34,000
7012020	Bits	70,000
7019010	Casing Crew and Services	30,000
7016350	Fuel (Rig)	60,000
7019140	Fuel (Mud)	18,000
7001460	Water (non potable)	25,000
7012350	Water (potable)	5,000
7019000	Well Logging Services	-
7019150	Mud Logging-geosteering	8,000
7019250	Stabilizers, Hole Openers, Underreamers (DH rentals)	15,000
7019110	Casing Inspection/cleaning	15,000
7019110	Drill pipe/collar inspection services	10,000
7016180	Freight - truck	25,000
7001460	Water hauling and disposal (includes soil farming)	60,000
7001160	Contract Services - Disposal/Non-Hazardous Waste	80,000
7001440	Vacuum Trucks	10,000
7000030	Contract Labor - general	30,000
7000030	Contract Labor - Operations	3,000
7001200	Contract Services - Facilities	10,000
7019300	Well Services - Well Control Services	19,813
7019350	Well Services - Well/Wellhead Services	10,000
7018150	Rental Tools and Equipment (surface rentals)	78,500
7018150	Rig Equipment and Misc.	9,813
7001110	Telecommunications Services	5,000
7001120	Consulting Services	92,238
7001400	Safety and Environmental	31,400
7018120	Rental Buildings (trailers)	15,700
7019310	Coring (sidewalls & analysis)	-
7011010	7% Contingency & Taxes	145,781
TOTAL DRILLING - INTANGIBLE		\$1,706,369

TOTAL DRILLING COST

\$2,228,369

COMPLETION - TANGIBLE

7012580	Tubing	50,000
7012040	Tubing Accessories (nipple, wireline entry)	5,000
7012550	Wellhead Equip	5,000
7012560	Packers - Completion Equipment	37,000
TOTAL COMPLETION - TANGIBLE		\$97,000

MARATHON OIL PERMIAN LLC
 AUTHORITY FOR EXPENDITURE
 DETAIL OF ESTIMATED WELL COSTS

DATE 4/18/2018

Asset Team PERMIAN
 Field FORMATION: WOLFCAMP
 Lease/Facility ZEUS FEE 23 28 29 WD 20H

COMPLETION - INTANGIBLE

GL CODE	DESCRIPTION	ESTIMATED COST
7001270	Location and Access (dress location after rig move, set anchors)	5,000
7019220	Drilling Rig During Completion	35,000
7019140	Mud Fluids & Services	-
7019030	Coiled Tubing Services (3 runs)	120,000
7019240	Snubbing Services	-
7019270	Pulling/Swab Units	-
7016350	Fuel (from drlg)	-
7019010	Casing Crew and Services	-
7019020	Cement and Cementing Services	-
7019080	Well Testing Services (flow hand & equip)	125,000
7019320	Fracturing Services	2,100,000
7019330	Perforating	175,000
7019360	Wireline Services	10,000
7001460	Water Hauling & Disposal (frac fluids)	200,000
7016180	Freight - Truck (haul pipe; drlg & compl)	10,000
7018150	BOP Rental & Testing	-
7018150	Rental Tools and Equipment (Incl drlg; lightplant,hydra-walk)	-
7018150	CT Downhole Rental Equipment (ie. Bit, BHA)	-
7000030	Contract Labor - general	25,000
7001110	Telecommunications Services	90,000
7001400	Safety and Environmental	-
7001120	Consulting Services	40,000
7018150	Zipper Manifold	110,000
7019300	Frack Stack Rentals	40,000
7016190	Freight (Transportation Services)	-
7018150	Equipment Rental (w/o operator, frac tanks, lightplants)	65,000
7018120	Rental Buildings (trailers)	15,000
7000030	Contract Labor - Pumping (pump-down pumps)	15,000
7011010	8% Contingency & Taxes	258,200
TOTAL COMPLETION - INTANGIBLE		\$3,438,200

TOTAL COMPLETION COST

\$3,535,200

SURFACE EQUIPMENT - TANGIBLE

7012350	Misc. Piping, Fittings & Valves	86,765
7006640	Company Labor & Burden	-
7000030	Contract Labor - General	69,528
7001110	Telecommunication equip (Telemetry)	-
7012410	Line Pipe & Accessories	27,078
7012270	Miscellaneous Materials (containment system)	43,047
7006060	SCADA	-
7016180	Freight - truck	-
7001190	Contract Engineering	29,116
7012290	Metering and Instrumentation	250,831
7012290	I&E Materials	-
7012200	Gas Treating	-
7012200	Dehydration	-
7012010	Compressor	-
7012350	Power	-
7012610	Vapor Recovery Unit	-
7012440	Separator & other pressure vessels	27,572
7012500	Tanks	150,281
7012100	Heater Treater	12,997
7012640	Flare & Accessories	17,469
7000010	Electrical Labor	29,116
7000010	Mechanical Labor	-
7012480	Rod Pumping unit & Pad	-
7012180	Pumping Unit Engine	-
7012350	Electrical Power (electrical cooperative construction costs)	23,293
TOTAL SURFACE EQUIPMENT - TANGIBLE		\$817,092

TOTAL SURFACE EQUIPMENT COST

\$ 817,092

ARTIFICIAL LIFT

7006640	Company Labor	3,000
7012180	Gas Lift Equipment	23,000
7012480	Rod Pumping, Sucker Rods & Rod Pump	-
7012140	Elect Sub Pumps (ESP)	-
7019350	Well Services-Well/Wellhead Services	22,500
7012270	Materials & Supplies-Tangible	25,000
7012550	Surface Wellhead Equipment	3,000
7012390	Pig Launchers/Receivers & Rel Equip	-
7011010	8% Contingency & Taxes	2,500
TOTAL ARTIFICIAL LIFT		79,000

TOTAL ARTIFICIAL LIFT COST

\$ 79,000

SUMMARY OF ESTIMATED DRILLING WELL COSTS

	TOTAL COST
TOTAL LOCATION COST	\$ 71,250
TOTAL DRILLING COST	\$ 2,228,369
TOTAL COMPLETIONS COST	\$ 3,535,200
TOTAL SURFACE EQUIPMENT COST	\$ 817,092
TOTAL ARTIFICIAL LIFT COST	\$ 79,000
GRAND TOTAL COST	\$6,730,910

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

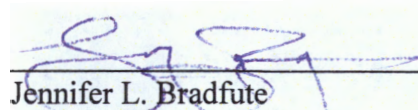
**APPLICATION OF MARATHON
OIL PERMIAN LLC FOR
COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 16076

AFFIDAVIT


STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

Jennifer L. Bradfute, attorney in fact and authorized representative of Marathon Oil Permian LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application was provided under the notice letter and proof of receipt attached hereto.



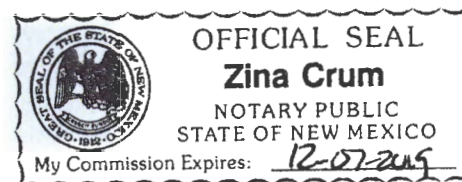
Jennifer L. Bradfute

SUBSCRIBED AND SWORN to before me this 23th day of April, 2018 by Jennifer L. Bradfute.



Notary Public

My commission expires: 12-07-2019



or K(100)
K(1)

Marathon
Zeus / Amended Application
Mailed on 04/04/18

Pooled Parties	Certified No.
BTA Oil Producers 104 S. Pecos Midland, TX 79701	7017-2400-0001-1389-2027 4/17/18
Lynn S. Charuk 2401 Stutz Place Midland, TX 79705	7017-2400-0001-1389-2034 RETURNED TO SENDER 4/13/18
Mayhill Oil Corporation P.O. Box 5334 Midland, TX 79704	7017-2400-0001-1389-2041 4/13/18
Taylor-Mor Enterprises, Inc. P.O. Box 4723 Midland, TX 79704	7017-2400-0001-1389-2058 4/13/18
Debra J. Hamilton P.O. Box 10983 Midland, TX 79704	7017-2400-0001-1389-2065 4/20/18
Poco Royalty Corp. 2602 Terrace Avenue Midland, TX 79705	7017-2400-0001-1389-2072 4/12/18
BNM, Inc. 2112 Kirby Street NE Albuquerque, NM 87112	7017-2400-0001-1389-2089 4/12/18
Noble Royalties Access Fund VI, LP 15601 North Dallas Parkway, Suite 900 Addison, TX 75001	7017-2400-0001-1389-2096 4/16/18
Edwin B. Bennett, Trustee or Successor Trustee under Declaration of Trust 3329 Lowell St. San Diego, CA 92106	7017-2400-0001-1389-2102 04/18/18
E. Baxter, Trustee of her Successors in Trust, under the E. Baxter Trust 3329 Lowell St. San Diego, CA 92106	7017-2400-0001-1389-2102 04/18/18
William B. Ring Profit Sharing Plan & Trust 27416 Betanzos Mission Viejo, CA 92692	7017-2400-0001-1389-2126 4/18/18
Harold M. and Judith A. Belmont 1999 Family Trust 19 Mt. Foraker Ct. San Rafael, CA 94903	7017-2680-0000-5953-0452 4/17/18
Schreiber Family Partnership 5840 Elisworth Ave., #100 Pittsburg, PA 15232	7017-2680-0000-5953-0469 Delivery Attempt / Action Required

Marathon
Zeus / Amended Application
Mailed on 04/04/18

GOC Birch, LLC 8320 NE Highway 99 Vancouver, WA 98665	7017-2680-0000-5953-0476 4/17/18
Harold E. Ruhlman & Michelle Mullaney 8320 NE Highway 99 Vancouver, WA 98665	7017-2680-0000-5953-0483 4/16/18
Yamato Trust 8482 Aspenwood Ave. Westheimer, CA 92683	7017-2680-0000-5953-0490 4/12/18
Michelle Mullaney 4519 Burnhill Plano, TX 75024	7017-2680-0000-5953-0506 4/17/18
Thomassen Family Trust 4330 Dundee Rd. Reno, NV 89519	7017-2680-0000-5953-0513 RETURNED TO SENDER 4/13/18
Ironwood Management LTD 27174 Ortega Highway San Juan Capistrano, CA 92675	7017-2680-0000-5953-0520 In Transit
Robert L. & Nancy Pedersen Family Trust 2075 Tustin Ave. Costa Mesa, CA 92627	7017-2680-0000-5953-0537 4/13/18
Dan Lion 7600 N. Marks Fresno, CA 93711	7017-2400-0001-1389-1938 4/11/18
The Commerford Inspection Inc. 2260 Papaya Dr. La Habra Heights, CA 90631	7017-2400-0001-1389-1945 4/11/18
Allen & Ursula Kellman 2484 Farm Brook Trail Oxford, MI 48370	7017-2400-0001-1389-1952 4/16/18
Kevin Czarnecki 410 Cherry Dr. Eugene, OR 97401	7017-2400-0001-1389-1969 4/13/18
Jay & Maryly Czarnecki Revocable Trust 3836 Laguna Way Sacramento, CA 95864	7017-2400-0001-1389-1976 In Transit
Centurion Properties, LLC 416 Travis Street, Suite 1200 Shreveport, LA 71001	7017-2400-0001-1389-1983 4/13/18
ENG Investments Co., LLC 416 Travis Street, Suite 1200 Shreveport, LA 71001	7017-2400-0001-1389-1990 4/13/18

Marathon
Zeus / Amended Application
Mailed on 04/04/18

C. Allen Williams 416 Travis Street, Suite 1200 Shreveport, LA 71001	7017-2400-0001-1389-2003 4/17/18
Offset Parties	Certified No.
Kaiser-Francis Oil Company P. O. Box 21468 Tulsa, OK 74121-1468	7017-2400-0001-1389-2010 4/13/18
BTA Oil Producers 104 S. Pecos Midland, TX 79701	7017-2400-0001-1389-2027 4/17/18

ALERT: AS OF APRIL 30, USPS.COM WILL NO LONGER SUPPORT OUTDATED BROWSERS. TO...

USPS Tracking®

FAQs > (<http://faq.usps.com/?articleId=220900>)

Track Another Package +

Tracking Number: 70172400000113892126

Remove X

Your item was delivered to an individual at the address at 12:38 pm on April 7, 2018 in MISSION VIEJO, CA 92692.

 **Delivered**


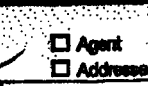
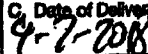
April 7, 2018 at 12:38 pm
Delivered, Left with Individual
MISSION VIEJO, CA 92692

Get Updates 

Text & Email Updates

Tracking History

Product Information

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature  <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) </p> <p>C. Date of Delivery </p>	
<p>1. Article Addressed to:</p> <p>William B. Ring Profit Sharing Plan & Trust 27416 Betanzos Mission Viejo, CA 92692 Zeus JLB / 81363-0124</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>2. Article Number (Transfer from service label)</p> <p>7017 2400 0001 1389 2126</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Mail <input type="checkbox"/> Mail Restricted Delivery</p>	
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

7.20

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage

\$

Total Post

\$

Sent To

Street and

City, State,

City, State,

City, State,

City, State,

City, State,

City, State,

City, State,

City, State,

City, State,

William B. Ring Profit Sharing
Plan & Trust
27416 Betanzos
Mission Viejo, CA 92692
Zeus
JLB / 81363-0124

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Go to our F

stions.

ALERT: AS OF APRIL 30, USPS.COM WILL NO LONGER SUPPORT OUTDATED BROWSERS. TO...

USPS Tracking®

FAQs > (<http://faq.usps.com/?articleId=220900>)

Track Another Package +

Remove X

Tracking Number: 70172400000113892065

Your item was picked up at the post office at 1:24 pm on April 18, 2018 in MIDLAND, TX 79701.

✓ Delivered

April 18, 2018 at 1:24 pm
Delivered, Individual Picked Up at Post Office
MIDLAND, TX 79701

Get Updates ✓

Text & Email Updates

Tracking History

Product Information

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$ **7.20**

Extra Services & Fees (which may add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage \$

Sent To Debra J. Hamilton
P.O. Box 10983
Midland, TX 79704
Zeus
JLB / 81363-0124

City, State, ZIP+4®

PS Form 3811, July 2015 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Debra J. Hamilton
P.O. Box 10983
Midland, TX 79704
Zeus
JLB / 81363-0124



9590 9402 3381 7227 3072 96

Go 2. Article Number (Transfer from service label)
7017 2400 0001 1389 2065

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x *Nancy Saenz*

☐ Agent
☐ Addressee

B. Received by (Printed Name)

Nancy Saenz

C. Date of Delivery

4/18/18

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Registered Mail®
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

FAQs (<http://faq.usps.com/?articleId=220900>)

ALERT: AS OF APRIL 30, USPS.COM WILL NO LONGER SUPPORT OUTDATED BROWSERS. TO...

USPS Tracking®

FAQs > (<http://faq.usps.com/?articleId=220900>)

Track Another Package +

Tracking Number: 70172400000113892102

Remove X

Expected Delivery on

WEDNESDAY

18 APRIL 2018 ⓘ by **8:00pm** ⓘ

✓ **Delivered**

April 18, 2018 at 7:50 am
Delivered, PO Box
ALBUQUERQUE, NM 87103

Get Updates ✓

Text & Email Updates

Tracking History

Product Information

7017 2400 0001 1389 2102

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$ 7.20

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy)

☐ Return Receipt (electronic)

☐ Certified Mail Restricted Delivery

☐ Adult Signature Required

☐ Adult Signature Restricted Delivery

Postage \$

Total Postage \$

Sent To

Street and Apt.

City, State, ZIP

Postmark Here

Edwin B. Bennett, Trustee or
Successor Trustee under Declaration of Trust
3329 Lowell St.
San Diego, CA 92106
Zeus
JLB / 81363-0124

PS Form 3800

See Less ^

Can't find what you're looking for?

ALERT: AS OF APRIL 30, USPS.COM WILL NO LONGER SUPPORT OUTDATED BROWSERS. TO...

USPS Tracking®

FAQs > (<http://faq.usps.com/?articleId=220900>)

Track Another Package +

Tracking Number: 70172680000059530469

Remove X

This is a reminder to arrange for redelivery of your item before April 23, 2018 or your item will be returned on April 24, 2018. You may arrange redelivery by using the Schedule a Redelivery feature on this page or may pick up the item at the Post Office indicated on the notice.

Delivery Attempt: Action Needed

Reminder to Schedule Redelivery of your item before April 23, 2018

Schedule Redelivery ✓

Text & Email Updates	<p>U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only</p> <p>For delivery information, visit our website at www.usps.com</p> <p>OFFICIAL USE</p> <p>Certified Mail Fee \$ <u>7.20</u></p> <p>Extra Services & Fees (check box, add fee to postage)</p> <p><input type="checkbox"/> Return Receipt (hardcopy)</p> <p><input type="checkbox"/> Return Receipt (electronic)</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Adult Signature Required</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p>Postage \$</p> <p>Total Postage \$</p> <p>Sent To</p> <p>Street and Apt.</p> <p>City, State, ZIP</p> <p>PS Form 3800</p>	✓
Schedule Redelivery		✓
Tracking History		✓
Product Information		✓

See Less ^

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

ALERT: AS OF APRIL 30, USPS.COM WILL NO LONGER SUPPORT OUTDATED BROWSERS. TO...

USPS Tracking®

FAQs > (<http://faq.usps.com/?articleId=220900>)

Track Another Package +

Tracking Number: 70172680000059530520

Remove X

The item is currently in transit to the next facility as of April 10, 2018.

In-Transit

April 10, 2018
In Transit to Next Facility

Get Updates ▼

Text & Email Updates

Tracking History

Product Information

0250 0565 0000 0892 2680 0000 5953 0520

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$ 7.20

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Post \$

Sent To Ironwood Management LTD
27174 Ortega Highway
San Juan Capistrano, CA 92675
Zeus
JLB / 81363-0124

Postmark Here

PS Form 3800, April 2012 Edition

See Less ^

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs (<http://faq.usps.com/?articleId=220900>)

ALERT: AS OF APRIL 30, USPS.COM WILL NO LONGER SUPPORT OUTDATED BROWSERS. TO...

USPS Tracking®

FAQs > (<http://faq.usps.com/?articleId=220900>)

Track Another Package +

Tracking Number: 70172400000113891976

Remove X

The item is currently in transit to the next facility as of April 19, 2018.

In-Transit

April 19, 2018
In Transit to Next Facility

Get Updates ▼

Text & Email Updates

Tracking History

Product Information

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$ 7.20

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage \$

Sent To Jay & Maryly Czamecki
Revocable Trust
3836 Laguna Way
Sacramento, CA 95864
Zeus
JLB / 81363-0124

Postmark Here

PS Form 380


7017 2400 0001 1389 1976

See Less ^

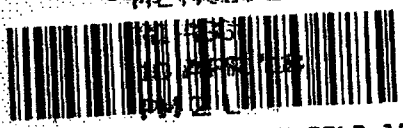
Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs (<http://faq.usps.com/?articleId=220900>)

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature </p> <p><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p>Allen & Ursula Kellman 2484 Farm Brook Trail Oxford, MI 48370 Zeus JLB / 81363-0124</p>		<p>B. Received by (Printed Name)</p> <p>C. Date of Delivery</p>	
<p>2. Article Number (Transfer from service label)</p> <p>7017 2400 0001 1389 1952</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p>	
<p>PS Form 3811, July 2016 PSN 7530-02-000-9053</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> All Restricted Delivery</p>	

USPS TRACKING® EX



9590 9402 3381 7227 2762 19

United States Postal Service

RECEIVED
APR 16 2018

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com™.

OFFICIAL USE

Certified Mail Fee **7.20**

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage \$

Sent To **Allen & Ursula Kellman**
2484 Farm Brook Trail
Oxford, MI 48370
Zeus
JLB / 81363-0124

City, State, ZIP

PS Form 3800

Amended Mailing

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

BNM, Inc.
2112 Kirby Street NE
Albuquerque, NM 87112
Zeus
JLB / 81363-0124



9590 9402 3381 7227 3072 72

2. Article Number (Transfer from service label)

7017 2400 0001 1389 2089

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Jennifer L. Bradfute

Agent

Addressee

B. Received (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

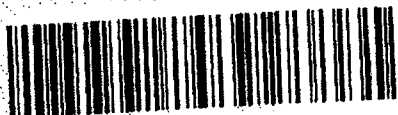
3. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Insured Mail Restricted Delivery | |



Domestic Return Receipt

USPS TRACKING#



9590 9402 3381 7227 3072 72

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

RECEIVED
APR 12 2018

• Sender: Please print your name, address, and ZIP+4® in this box®

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, and enter appropriate amount)

- ☐ Return Receipt (hardcopy)
- ☐ Return Receipt (electronic)
- ☐ Certified Mail Restricted Delivery
- ☐ Adult Signature Required
- ☐ Adult Signature Restricted Delivery

Postage

\$

Total Post

\$

Sent To

Street and

City, State,

PS Form 3811, July 2015 PSN 7530-02-000-9053

BNM, Inc.
2112 Kirby Street NE
Albuquerque, NM 87112
Zeus
JLB / 81363-0124

Postmark
Here

6902 2400 0001 1389 2089

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete Items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p style="text-align: center;">BTA Oil Producers 104 S. Pecos Midland, TX 79701 Zeus JLB / 81363-0124</p>		<p>A. Signature <i>[Signature]</i></p> <p>B. Received by (Printed Name) <i>[Signature]</i></p> <p>C. Date of Delivery <i>4-9-18</i></p> <p>D. Is delivery address different from Item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>2. Barcode 9590 9402 3381 7227 2761 34</p>		<p>3. Service Type</p> <p><input checked="" type="checkbox"/> First-Class Mail® <input type="checkbox"/> Registered Mail® <input type="checkbox"/> Registered Mail Restricted Delivery® <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery® <input type="checkbox"/> Collect on Delivery® <input type="checkbox"/> Collect on Delivery Restricted Delivery® <input type="checkbox"/> Insured Mail® <input type="checkbox"/> Mail Restricted Delivery®</p> <p><input type="checkbox"/> Priority Mail® <input type="checkbox"/> Registered Mail® <input type="checkbox"/> Registered Mail Restricted Delivery® <input type="checkbox"/> Return Receipt® <input type="checkbox"/> Signature Required® <input type="checkbox"/> Signature Restricted Delivery®</p>	
<p>4. ZIP+4® 79701</p>		<p>5. Postmark 2027</p>	

USPS TRACKING#
MIDLAND TEXAS
79701
9590 9402 3381 7227 2761 34

First-Class Mail
Postage & Fees Paid
USPS
Permit No. 610

United States Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box®

APR 17 2018
RECEIVED

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee
\$ 7.20

Extra Services & Fees (check box, and fee as appropriate)

☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage
\$
Total Postage
\$

Sent To
Street and Ap
City, State, Zi

BTA Oil Producers
104 S. Pecos
Midland, TX 79701
Zeus
JLB / 81363-0124

PS Form 3800, April 2015 PSN 7530-02-000-9001

SENDER: COMPLETE THIS SECTION

■ Complete items 1, 2, and 3.
 ■ 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 mail piece, or on the front if space permits.

1. Article Addressed to:

C. Allen Williams
 416 Travis Street, Suite 1200
 Shreveport, LA 71001
 Zeus
 JLB / 81363-0124

2. Article Number (Transfer from service label)

7017 2400 0001 1389 2003

PS Form 3811, July 2015 PSN 7530-02-000-9063

COMPLETE THIS SECTION ON DELIVERY

A. Signature
 X *[Signature]*

B. Received by (Printed Name)
 A. Webb

C. State of Delivery
 LA

D. Is delivery address different from item 1? ☐ Yes ☒ No
 If YES, enter delivery address below:

3. Service Type

☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☒ Mail Restricted Delivery

☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

USPS TRACKING®

SHREVEPORT

9590 9402 3381 7227 2761 58

First-Class Mail
 Postage & Fees Paid
 USPS
 Permit No. G-10

United States Postal Service

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
 Modrall Law Firm
 P.O. Box 2168
 Albuquerque, NM 87103

APR 17 2018

RECEIVED

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
 Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee
 \$ 7.20

Extra Services & Fees (check box, add fees as appropriate)

☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage
 \$

Total Postage
 \$

Sent To
 Street and Apt
 City, State, Zip

C. Allen Williams
 416 Travis Street, Suite 1200
 Shreveport, LA 71001
 Zeus
 JLB / 81363-0124

Postmark Here

PS Form 3800

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Centurion Properties, LLC 416 Travis Street, Suite 1200 Shreveport, LA 71001 Zeus JLB / 81363-0124</p>		<p>A. Signature x <i>[Signature]</i></p> <p>B. Received by (Printed Name) <i>[Signature]</i></p> <p>C. Date of Delivery <i>[Signature]</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>2. Article Number (Transfer from service label)</p> <p>9590 9402 3381 7227 2761 89</p> <p>7017 2400 0001 1389 1983</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	

PS Form 3811, July 2015 PSN 7530-02-000-9053

USPS TRACKING PORT	
<p>9590 9402 3381 7227 2761 89</p> <p>United States Postal Service</p> <p>RECEIVED APR 13 2018</p>	<p>First-Class Mail Postage & Fees Paid USPS Permit No. G-10</p> <p>• Sender: Please print your name, address, and ZIP+4® in this box*</p> <p>Jennifer L. Bradfute Modrall Law Firm P.O. Box 2168 Albuquerque, NM 87103</p>

3-216558

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com	
OFFICIAL USE	
Certified Mail Fee \$ <u>7.20</u>	<p>Postmark Here</p> <p>ALBUQUERQUE</p>
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy) \$	
<input type="checkbox"/> Return Receipt (electronic) \$	
<input type="checkbox"/> Certified Mail Restricted Delivery \$	
<input type="checkbox"/> Adult Signature Required \$	
<input type="checkbox"/> Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage \$	
Sent To	Centurion Properties, LLC
Street and Apt. 1	416 Travis Street, Suite 1200
City, State, ZIP+4	Shreveport, LA 71001 Zeus JLB / 81363-0124

PS Form 3800, July 2015 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Dan Lion
7600 N. Marks
Fresno, CA 93711
Zeus
JLB / 81363-0124



9590 9402 3381 7227 2762 26

2. Article Number (Transfer from service label)

7017 2400 0001 1389 1938

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Dan Lion*

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

4-7-18

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Restricted Delivery

- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

USPS TRACKING



9590 9402 3381 7227 2762 26

United States
Postal Service

RECEIVED
APR 11 2018
BY: *[Signature]*

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$ 7.20

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage

\$
Total Postage

Sent To

Street and Apt

City, State, Zip

PS Form 3800

Dan Lion
7600 N. Marks
Fresno, CA 93711
Zeus
JLB / 81363-0124

JLB / 81363-0124

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>ENG Investments Co., LLC 416 Travis Street, Suite 1200 Shreveport, LA 71001 Zeus JLB / 81363-0124</p>		<p>A. Signature <i>[Signature]</i></p> <p>B. Received by (Printed Name) <i>A Webb</i></p> <p>C. Date of Delivery <i>4/11/18</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>2. Article Number (Transfer from service label)</p> <p>7017 2400 0001 1389 1990</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Priority Mail Express</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	

PS Form 3811, July 2015 PSN 7530-02-000-9053

USPS TRACKING#
SHREVEPORT

9590 9402 3381 7227 2761 72

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

RECEIVED
APR 13 2018

3-216868

• Sender: Please print your name, address, and ZIP+4® in this box

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$ *7.20*

Extra Services & Fees (check box, add fee as appropriate)

<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$

Postage \$

Total Postage \$

Sent To

Street and Apt.

City, State, ZIP

ENG Investments Co., LLC
416 Travis Street, Suite 1200
Shreveport, LA 71001
Zeus
JLB / 81363-0124

PS Form 3800

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p style="text-align: center;">GOC Birch, LLC 8320 NE Highway 99 Vancouver, WA 98665 Zeus JLB / 81363-0124</p> <p>2. Article Number (Transfer from service label)</p> <p style="text-align: center;">7017 2680 0000 5953 0476</p>		<p>A. Signature</p> <p style="text-align: center;"><i>[Signature]</i></p> <p><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name)</p> <p style="text-align: center;"><i>[Signature]</i></p> <p>C. Date of Delivery</p> <p style="text-align: center;">[]</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Mail Restricted Delivery</p>		<p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	

PS Form 3811, July 2015 PSN 7530-02-000-9053

USPS TRACKING®	
<p>9590 9402 3381 7227 2762 40</p> <p>United States Postal Service</p> <p>• Sender: Please print your name, address, and ZIP+4® in this box•</p> <p style="text-align: center;">Jennifer L. Bradfute Modrall Law Firm P.O. Box 2168 Albuquerque, NM 87103</p> <p style="text-align: center;">APR 17 2018</p> <p style="text-align: center;">RECEIVED</p> <p style="text-align: center;">-216868</p>	

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at www.usps.com	
OFFICIAL USE	
Certified Mail Fee	\$ 7.20
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage	\$
Sent To	GOC Birch, LLC
Street and Apt. N	8320 NE Highway 99
City, State, ZIP+4	Vancouver, WA 98665
	Zeus
	JLB / 81363-0124
PS Form 3800, April 2013 PSN 7530-02-000-9053 See reverse for instructions	

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Harold E. Ruhlman & Michelle
Mullaney
8320 NE Highway 99
Vancouver, WA 98665
Zeus
JLB / 81363-0124



9590 9402 3381 7227 2762 33

2. (Transfer from service label)

1, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

Jennifer L. Bradfute

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes☐ No

If YES, enter delivery address below:

3. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input checked="" type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail | |
| <input type="checkbox"/> Mail Restricted Delivery | |

100

Domestic Return Receipt

USPS TRACKING



9590 9402 3381 7227 2762 33

United States
Postal Service

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

APR 16 2018

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$ 7.70

Extra Services & Fees (check box, add fee as indicated)

- ☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage

\$

Total Pos

\$

Sent To

Street and

City, State

Harold E. Ruhlman & Michelle Mullaney
8320 NE Highway 99
Vancouver, WA 98665
Zeus
JLB / 81363-0124

Postmark
Here

7017 2680 0000 5453 0483

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Harold M. and Judith A. Belmont 1999 Family Trust 19 Mt. Foraker Ct. San Rafael, CA 94903 Zeus JLB / 81363-0124</p> <p>2. Barcode</p> <p>9590 9402 3381 7227 2762 64</p> <p>3. Service Type</p> <p>7017 2680 0000 5953 0452</p> <p>PS Form 3811, July 2015 PSN 7530-02-000-9063</p>		<p>A. Signature</p> <p>X</p> <p>B. Recipient by (Printed Name)</p> <p>C. Date of Delivery</p> <p>4/12</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below:</p> <p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Mail Restricted Delivery</p> <p>500</p> <p>Domestic Return Receipt</p>	

USPS TRACKING SERVICE	
<p>Barcode</p> <p>9590 9402 3381 7227 2762 64</p> <p>United States Postal Service</p>	<p>First-Class Mail</p> <p>Postage & Fees Paid</p> <p>USPS</p> <p>Permit No. G-10</p> <p>Sender: Please print your name, address, and ZIP+4® in this box*</p> <p>Jennifer L. Bradfute Modrall Law Firm P.O. Box 2168 Albuquerque, NM 87103</p> <p>APR 17 2018</p>

7017 2680 0000 5953 0452

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee \$ 7.20

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage \$

Total Postage \$

Sent To Harold M. and Judith A. Belmont 1999 Family Trust

Street and Apt. 19 Mt. Foraker Ct.

City, State, ZIP+4 San Rafael, CA 94903

Zeus

JLB / 81363-0124

PS Form 3800

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Kaiser-Francis Oil Company
P. O. Box 21468
Tulsa, OK 74121-1468
Zeus
JLB / 81363-0124



9590 9402 3381 7227 2761 65

2. Article Number (Transfer from service label)

7017 2400 0001 1389 2010

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Jennifer L. Bradfute

C. Date of Delivery

APR 09 2018

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

E. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt

USPS TRACKING#



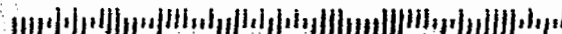
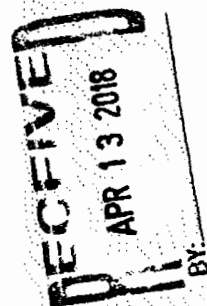
9590 9402 3381 7227 2761 65

United States
Postal Service

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10



U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$ 7.20

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

Total Postage \$

Sent To




Street and Apt.


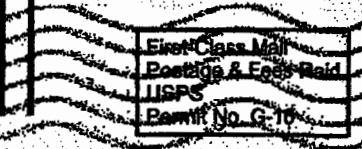
City, State, ZIP

PS Form 3800

Kaiser-Francis Oil Company
P. O. Box 21468
Tulsa, OK 74121-1468
Zeus
JLB / 81363-0124

7017 2400 0001 1389 2010

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p style="text-align: center;">Kevin Czarniecki 410 Cherry Dr. Eugene, OR 97401 Zeus JLB / 81363-0124</p>		<p>7. Signature </p> <p>8. Received by (Printed Name) </p> <p>9. Date of Delivery </p> <p>10. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>2. Article Number (Transfer from service label)</p> <p style="text-align: center;">7017 2400 0001 1389 1969</p>		<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Signature Confirmation</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Return Receipt-Merchandise</p> <p><input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	
<p>PS Form 3811, July 2015 PSN 7530-02-000-9063</p>			

USPS TRACKING SERVICE	
 <p>9590 9402 3381 7227 2762 02</p>	 <p>First-Class Mail Postage & Fees Paid USPS Permit No. G-10</p>
<p>9590 9402 3381 7227 2762 02</p>	
<p>United States Postal Service</p> <p>RECEIVED APR 13 2018</p>	<p>• Sender: Please print your name, address, and ZIP+4® in this box*</p> <p style="text-align: center;">Jennifer L. Bradfute Modrall Law Firm P.O. Box 2168 Albuquerque, NM 87103</p>

7017 2400 0001 1389 1969

U.S. Postal Service™	
CERTIFIED MAIL® RECEIPT	
Domestic Mail Only	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee	\$ 7.20
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage	\$
Sent To	Kevin Czarniecki
Street and Apt.	410 Cherry Dr.
City, State, ZIP	Eugene, OR 97401
	Zeus
	JLB / 81363-0124
PS Form 3806	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <i>X. Q. A. Bradfute</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p>Mayhill Oil Corporation P.O. Box 5334 Midland, TX 79704 Zeus JLB / 81363-0124</p>		<p>B. Received by (Printed Name) <i>A. Q. A. Bradfute</i></p> <p>C. Date of Delivery <i>APR 13 2018</i></p>	
<p>2. Article Number (Transfer from service label) 7017 2400 0001 1389 2041</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Mail Restricted Delivery</p>		<p>IND. TX VILLAGE STATION 79704 APR 13 2018</p>	
<p>PS Form 3811, July 2018 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

USPS TRACKING#		First-Class Mail Postage & Fees Paid USPS Permit No. G-10	
<p>9590 9402 3381 7227 3073 02</p>		<p>United States Postal Service</p>	
<p>RECEIVED APR 13 2018 BY: <i>[Signature]</i></p>		<p>• Sender: Please print your name, address, and ZIP+4® in this box*</p> <p>Jennifer L. Bradfute Modrall Law Firm P.O. Box 2168 Albuquerque, NM 87103</p>	

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
<p>For delivery information, visit our website at www.usps.com</p>	
<p>OFFICIAL USE</p>	
<p>Certified Mail Fee \$ <i>7.20</i></p>	<p>Extra Services & Fees (check box, add fee as appropriate)</p> <p><input type="checkbox"/> Return Receipt (hardcopy) \$</p> <p><input type="checkbox"/> Return Receipt (electronic) \$</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery \$</p> <p><input type="checkbox"/> Adult Signature Required \$</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery \$</p>
<p>Postage \$</p> <p>Total Postage \$</p>	<p>Postmark Here</p>
<p>Sent To Street and A City, State, Z</p>	<p>Mayhill Oil Corporation P.O. Box 5334 Midland, TX 79704 Zeus JLB / 81363-0124</p>
<p>PS Form 3800, April 2015 PSN 7530-02-000-9077</p>	

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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 mail piece, or on the front if space permits.

1. Article Addressed to:

Michelle Mullaney
4519 Burnhill
Plano, TX 75024
Zeus
JLB / 81363-0124



9590 9402 2384 6249 1754 94

2. Article Number (Transfer from service label)

7017 2680 0000 5953 0506

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Michelle Mullaney* ☐ Agent

B. Recipient (Printed Name)

Michelle Mullaney

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☒ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

Restricted Delivery

Domestic Return Receipt

USPS TRACKING#



9590 9402 2384 6249 1754 94

United States
Postal Service

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy)
- ☐ Return Receipt (electronic)
- ☐ Certified Mail Restricted Delivery
- ☐ Adult Signature Required
- ☐ Adult Signature Restricted Delivery

Postage

\$

Total Postage

\$

Sent To

Street and Apt.

City, State, Zip

Michelle Mullaney
4519 Burnhill
Plano, TX 75024
Zeus
JLB / 81363-0124

Postmark
Here

PS Form 3800, April 2012 PSN 7530-02-000-9053 See reverse for instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Noble Royalties Access Fund VI, LP
15601 North Dallas Parkway, Suite 900
Addison, TX 75001
Zeus
JLB / 81363-0124



9590 9402 3381 7227 3072 65

2. Article Number (Transfer from service label)

7017 2400 0001 1389 2096

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent☐ Addressee

B. Received by (Printed Name)

J. L. Bradfute

C. Date of Delivery

4-9-18

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Mail Restricted Delivery
- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

USPS TRACKING®



9590 9402 3381 7227 3072 65

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

\$

Total Postage

\$

Sent To

Street and Apt.

City, State, ZIP

Noble Royalties Access Fund VI, LP
15601 North Dallas Parkway, Suite 900
Addison, TX 75001
Zeus
JLB / 81363-0124

Postmark
Here

PS Form 3800, April 2015 PSN 7530-02-000-9053

OFFICIAL USE ONLY

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Poco Royalty Corp.
2602 Terrace Avenue
Midland, TX 79705
Zeus
JLB / 81363-0124



9590 9402 3381 7227 3072 89

2. Article Number (Transfer from service label)

7017 2400 0001 1389 2072

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

- D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
☐ Adult Signature Restricted Delivery
☐ Certified Mail
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ All Restricted Delivery
- ☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☐ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Domestic Return

USPS TRACKING #



9590 9402 3381 7227 3072 89

United States
Postal Service

12 2018

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

First-Class Mail
Postage & Fees Paid
USPS
Permit No. 6-10

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$ 7.20

Extra Services & Fees (check box, add fees as appropriate)

- ☐ Return Receipt (hardcopy)
☐ Return Receipt (electronic)
☐ Certified Mail Restricted Delivery
☐ Adult Signature Required
☐ Adult Signature Restricted Delivery

Postage

\$

Total Postage

\$

Sent To

Street and Apt

City, State, Zip

PS Form 380

Poco Royalty Corp.
2602 Terrace Avenue
Midland, TX 79705
Zeus
JLB / 81363-0124

Postmark
Here

7017 2400 0001 1389 2072

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Robert L. & Nancy Pedersen
Family Trust
2075 Tustin Ave.
Costa Mesa, CA 92627
Zeus
JLB / 81363-0124



9590 9402 3381 7227 3071 97

2. Article Number (Transfer from service label)

7017 2680 0000 5953 0537

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *R. Pedersen*☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- | | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> All Restricted Delivery | |

Domestic Return Receipt

USPS TRACKING® #



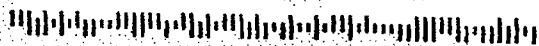
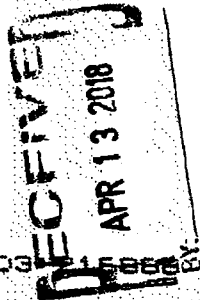
9590 9402 3381 7227 3071 97

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

* Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103



U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$ 7.20
Extra Services & Fees (check box and fee as appropriate)

- ☐ Return Receipt (hardcopy)
- ☐ Return Receipt (electronic)
- ☐ Certified Mail Restricted Delivery
- ☐ Adult Signature Required
- ☐ Adult Signature Restricted Delivery

Postage

Total Postage
\$

Sent To
Robert L. & Nancy Pedersen Family Trust

Street and
Costa Mesa, CA 92627

City, State,
Zeus

PS Form 3811, July 2015 PSN 7530-02-000-9053

JLB / 81363-0124

Postmark
Here

7017 2680 0000 5953 0537

SENDER: COMPLETE THIS SECTION

- Complete Items 1, 2, and 3.
- 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:

Taylor-Mor Enterprises, Inc.
P.O. Box 4723
Midland, TX 79704
Zeus
JLB / 81363-0124



9590 9402 3381 7227 3073 19

2. Article Number (Transfer from service label)

7017 2400 0001 1389 2058

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Ana Nativedad

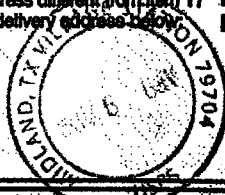
- ☐ Agent
- ☐ Addressee

B. Received by (Printed Name)

Ana Nativedad

C. Date of Delivery

D. Is delivery address different from Item 1? ☐ Yes
If YES, enter delivery address below ☐ No



3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

☐ Restricted Delivery

Domestic Return Receipt

USPS TRACKING #



9590 9402 3381 7227 3073 19

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States
Postal Service

RECEIVED
APR 13 2018
BY

• Sender: Please print your name, address, and ZIP+4® in this box•

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

\$ 7.20

Extra Services & Fees (check box, add fees as appropriate)

- ☐ Return Receipt (hardcopy)
- ☐ Return Receipt (electronic)
- ☐ Certified Mail Restricted Delivery
- ☐ Adult Signature Required
- ☐ Adult Signature Restricted Delivery

Postage

Total Postage \$

Sent To

Street and Apt. #

City, State, ZIP+4

PS Form 3800

Taylor-Mor Enterprises, Inc.
P.O. Box 4723
Midland, TX 79704
Zeus
JLB / 81363-0124

Postmark
Here

7017 2400 0001 1389 2058

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

The Commerford Inspection Inc.
2260 Papaya Dr.
La Habra Heights, CA 90631
Zeus
JLB / 81363-0124



9590 9402 3381 7227 3071 80

2. Article Number (Transfer from service label)

7017 2400 0001 1389 1945

PS Form 3811, July 2018 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Agent

Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

at Restricted Delivery

Domestic Return Receipt

USPS TRACKING



9590 9402 3381 7227 3071 80

United States
Postal Service

RECEIVED
APR 11 2018
BY

• Sender: Please print your name, address, and city, state, and ZIP+4® in this box.

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com.

OFFICIAL USE

Certified Mail Fee

\$ 7.20

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy)
- ☐ Return Receipt (electronic)
- ☐ Certified Mail Restricted Delivery
- ☐ Adult Signature Required
- ☐ Adult Signature Restricted Delivery

Postage

\$ Total Postage is

\$ Sent To


Street and Apt. #
City, State, ZIP+4®

The Commerford Inspection Inc.
2260 Papaya Dr.
La Habra Heights, CA 90631
Zeus
JLB / 81363-0124

Postmark
Here


PS Form 3800, April 2013 PSN 7530-02-000-9053

See reverse for instructions

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY															
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p style="text-align: center;">Yamato Trust 8482 Aspenwood Ave. Westheimer, CA 92683 Zeus JLB / 81363-0124</p>  <p>9590 9402 3249 7196 1137 94</p>		<p>A. Signature x <u>Robert K Yamato</u> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <u>Robert K Yamato</u></p> <p>C. Date of Delivery <u>APR 12 2018</u></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>															
<p>2. Article Number (Transfer from service label) 7017 2680 0000 5953 0490</p>		<p>3. Service Type</p> <table border="0"> <tr> <td><input type="checkbox"/> Adult Signature</td> <td><input type="checkbox"/> Priority Mail Express®</td> </tr> <tr> <td><input type="checkbox"/> Adult Signature Restricted Delivery</td> <td><input type="checkbox"/> Registered Mail™</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail®</td> <td><input type="checkbox"/> Registered Mail Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> Certified Mail Restricted Delivery</td> <td><input type="checkbox"/> Return Receipt for Merchandise</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery</td> <td><input type="checkbox"/> Signature Confirmation™</td> </tr> <tr> <td><input type="checkbox"/> Collect on Delivery Restricted Delivery</td> <td><input type="checkbox"/> Signature Confirmation Restricted Delivery</td> </tr> <tr> <td><input type="checkbox"/> All Restricted Delivery</td> <td></td> </tr> </table>		<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®	<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™	<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery	<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™	<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery	<input type="checkbox"/> All Restricted Delivery	
<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®																
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™																
<input type="checkbox"/> Certified Mail®	<input type="checkbox"/> Registered Mail Restricted Delivery																
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Return Receipt for Merchandise																
<input type="checkbox"/> Collect on Delivery	<input type="checkbox"/> Signature Confirmation™																
<input type="checkbox"/> Collect on Delivery Restricted Delivery	<input type="checkbox"/> Signature Confirmation Restricted Delivery																
<input type="checkbox"/> All Restricted Delivery																	

PS Form 3811, July 2015 PSN 7530-02-000-9053

USPS TRACKING#



9590 9402 3249 7196 1137 94

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

United States Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box*

Jennifer L. Bradfute
Modrall Law Firm
P.O. Box 2168
Albuquerque, NM 87103

RECEIVED
APR 12 2018

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee	\$ 7.20
Extra Services & Fees (check box, add fees as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	
<input type="checkbox"/> Return Receipt (electronic)	
<input type="checkbox"/> Certified Mail Restricted Delivery	
<input type="checkbox"/> Adult Signature Required	
<input type="checkbox"/> Adult Signature Restricted Delivery	
Postage	\$
Total Postage	\$
Sent To	Yamato Trust
Street and A	8482 Aspenwood Ave.
City, State, Z	Westheimer, CA 92683
	Zeus
	JLB / 81363-0124

PS Form 3800, April 2015 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- 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:

Lynn S. Charuk
2401 Stutz Place
Midland, TX 79705
Zeus
JLB / 81363-0124



9590 9402 3381 7227 2761 41

2. Article Number (Transfer from service label)

7017 2400 0001 1389 2034

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

**D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No**

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

CERTIFIED MAIL

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**
Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

- ☐ Return Receipt (hardcopy)
- ☐ Return Receipt (electronic)
- ☐ Certified Mail Restricted Delivery
- ☐ Adult Signature Required
- ☐ Adult Signature Restricted Delivery

Postage

Total Postage

Sent To

Street and Apt.

City, State, ZIP

PS Form 3800

Lynn S. Charuk
2401 Stutz Place
Midland, TX 79705
Zeus
JLB / 81363-0124

87103>2168

NEOPOST

FIRST-CLASS MAIL

04/04/2018

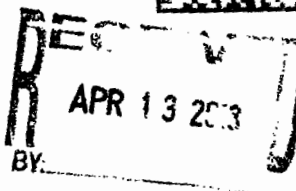
US POSTAGE \$007.20



ZIP 87102
041M11283401

101 1389 2034

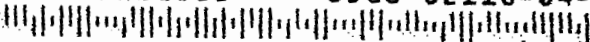
in S. Charuk
1 Stutz Place
and, TX 79705



NIXIE 799 FE 1 0004/09/18

RETURN TO SENDER
NOT DELIVERABLE AS ADDRESSED
UNABLE TO FORWARD

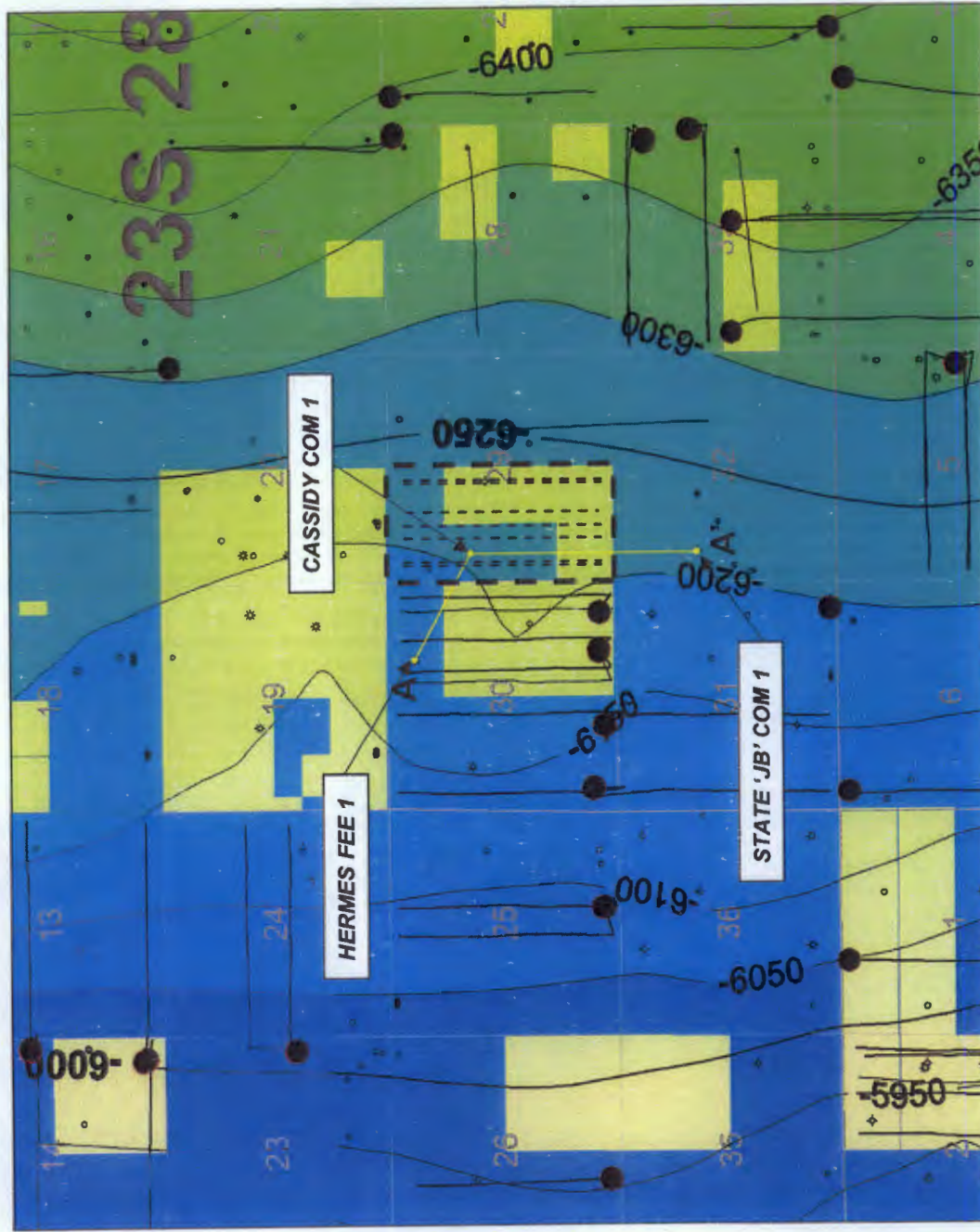
BC: 87103216868 *0568-02116-04-43



Domestic Return Receipt

Zeus Fee 23-28-29

Structure Map – Top of Wolfcamp Subsea



Map Legend

MRO – Proposed HZ Wellbore

●

Wolfcamp HZ Producing Well

■

MRO Acreage

Project Area

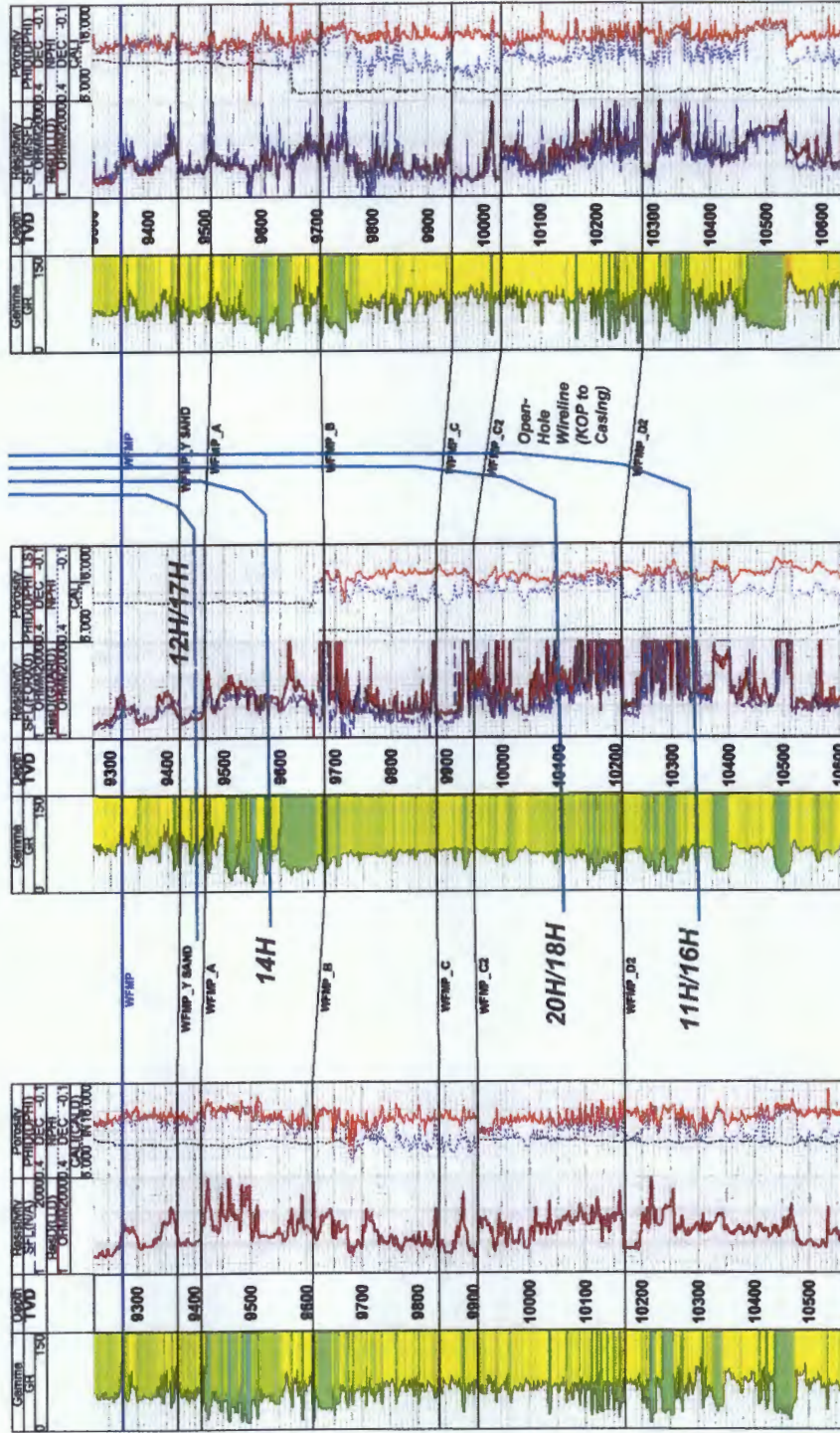
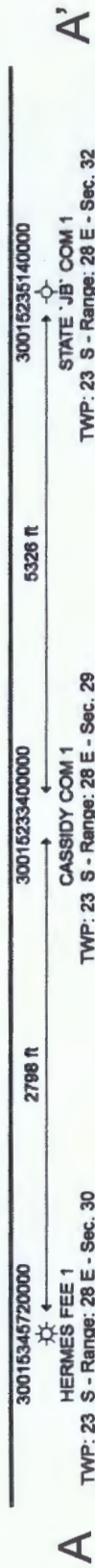
C.I. = 50'

1 mile

M

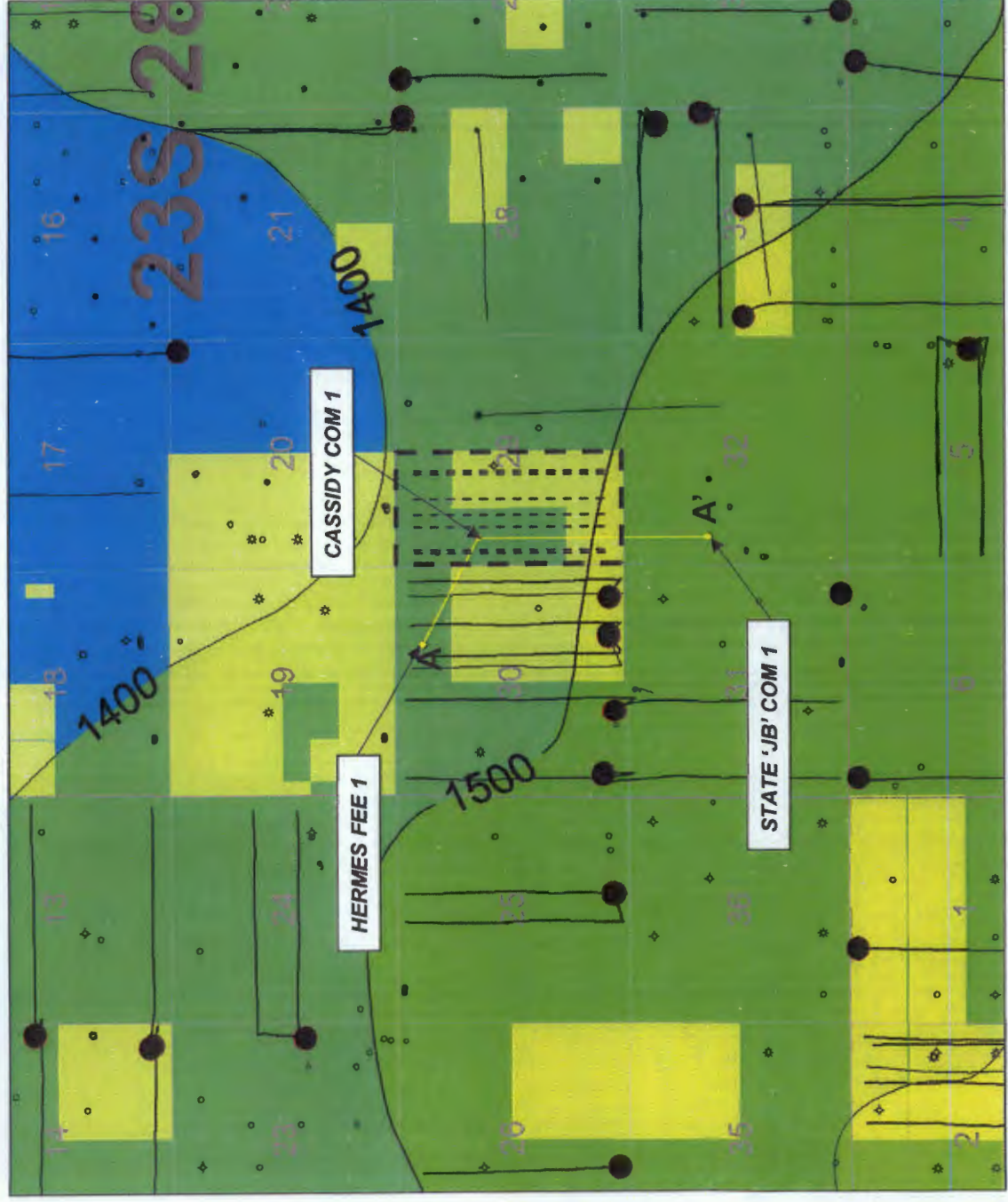
Zeus Fee 23-28-29

Wolfcamp Stratigraphic Cross Section (Top Wolfcamp Datum)



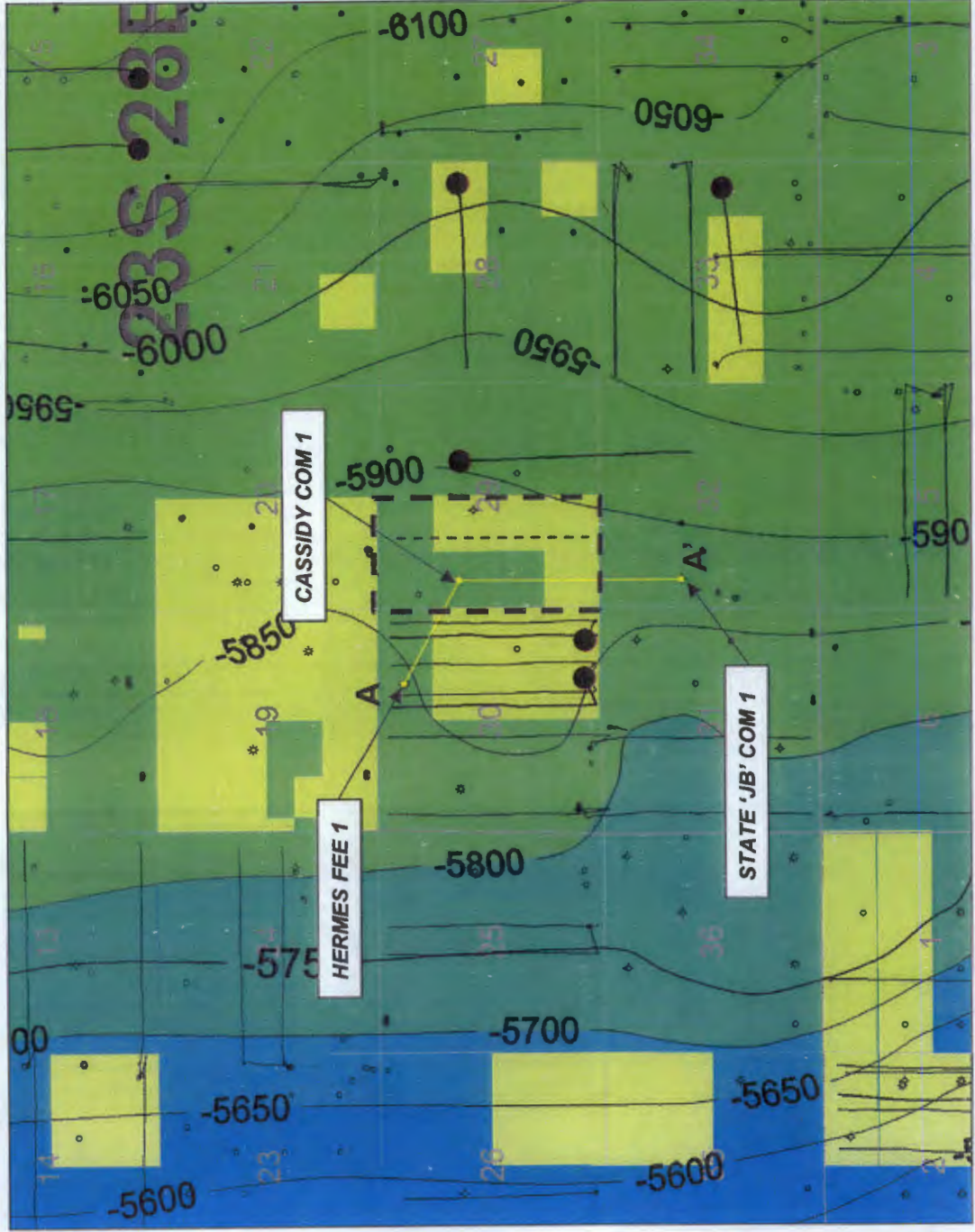
Zeus Fee 23-28-29

Gross Interval Isochore – Wolfcamp top to base of Wolfcamp D (100' Contours)



Zeus Fee 23-28-29

Structure Map – Top of 3rd Bone Spring Sand Subsea



Map Legend

--- Proposed HZ Wellbore

● Bone Spring HZ Producing Well

■ MRO Acreage

□ Project Area

C.I. = 50'

1 mile

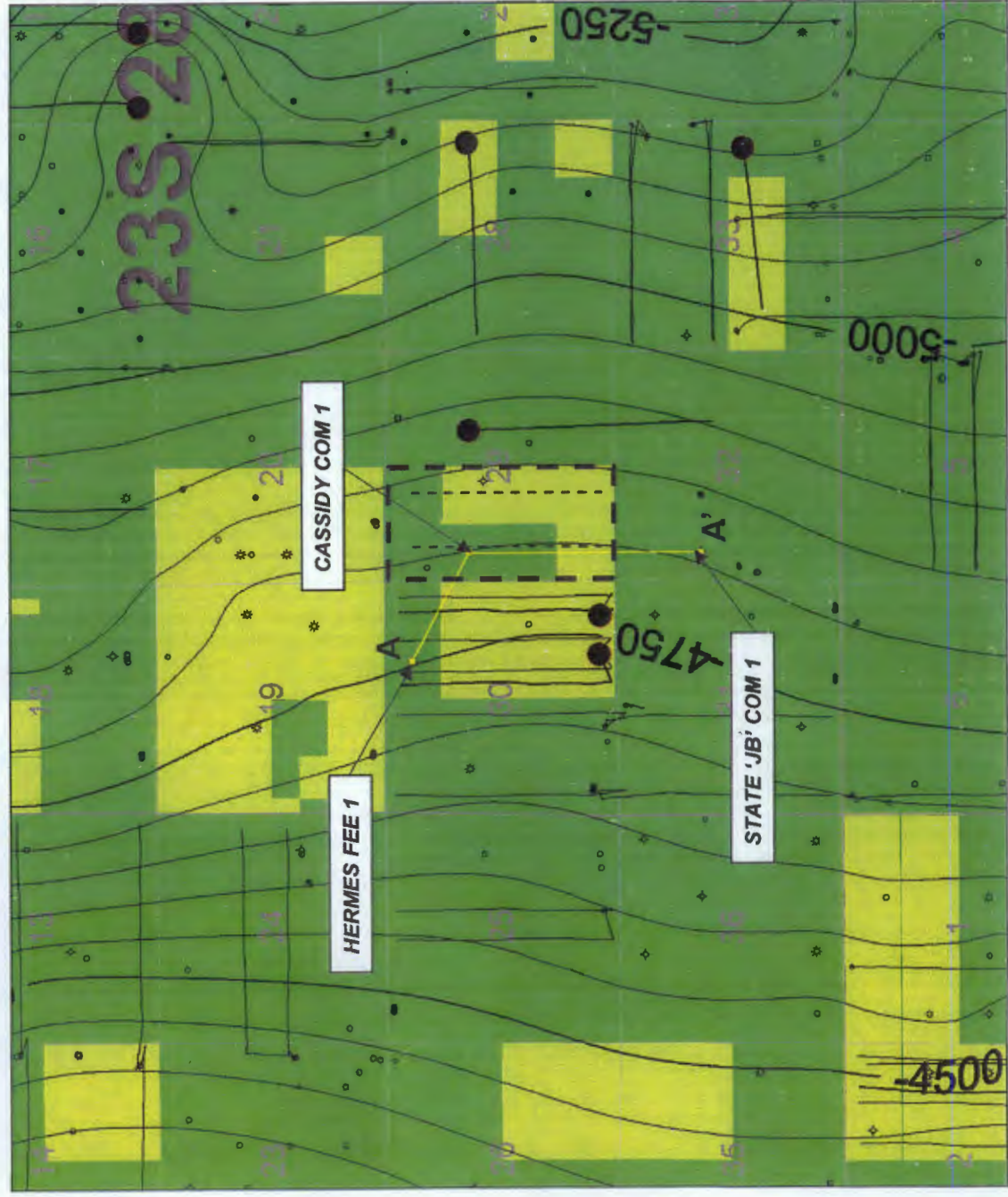
Marathon Oil

4

1

Zeus Fee 23-28-29

Structure Map – Base of 2nd Bone Spring Sand Subsea



Map Legend

--- Proposed HZ Wellbore

● Bone Spring HZ Producing Well

■ MRO Acreage

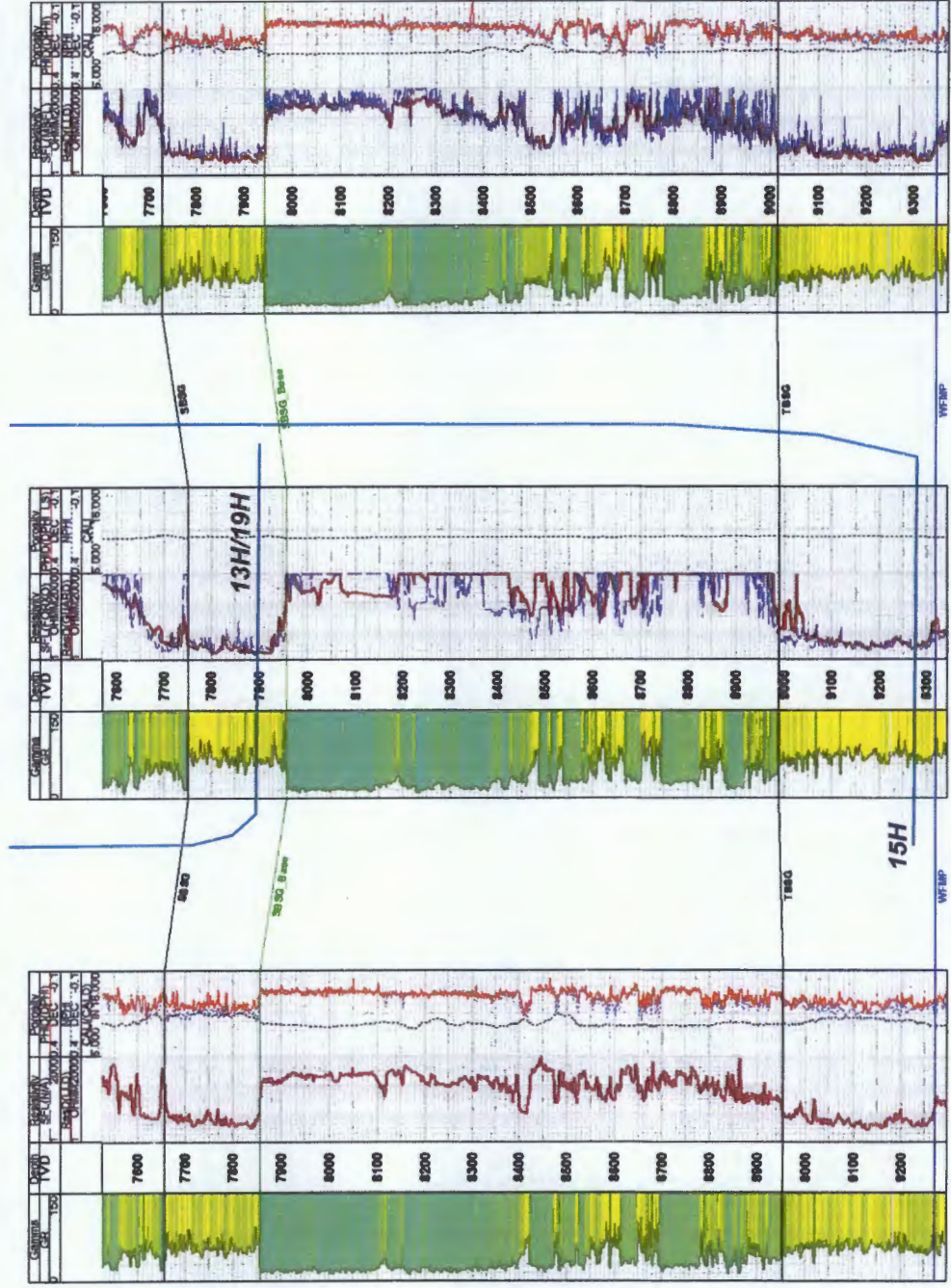
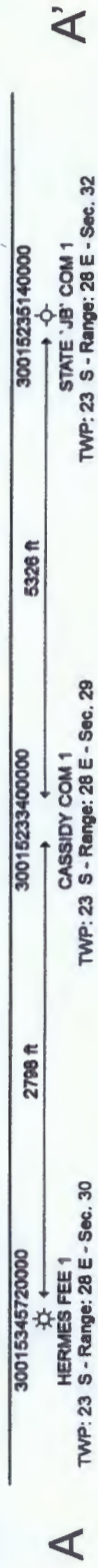
--- Project Area

C.I. = 50'

1 mile

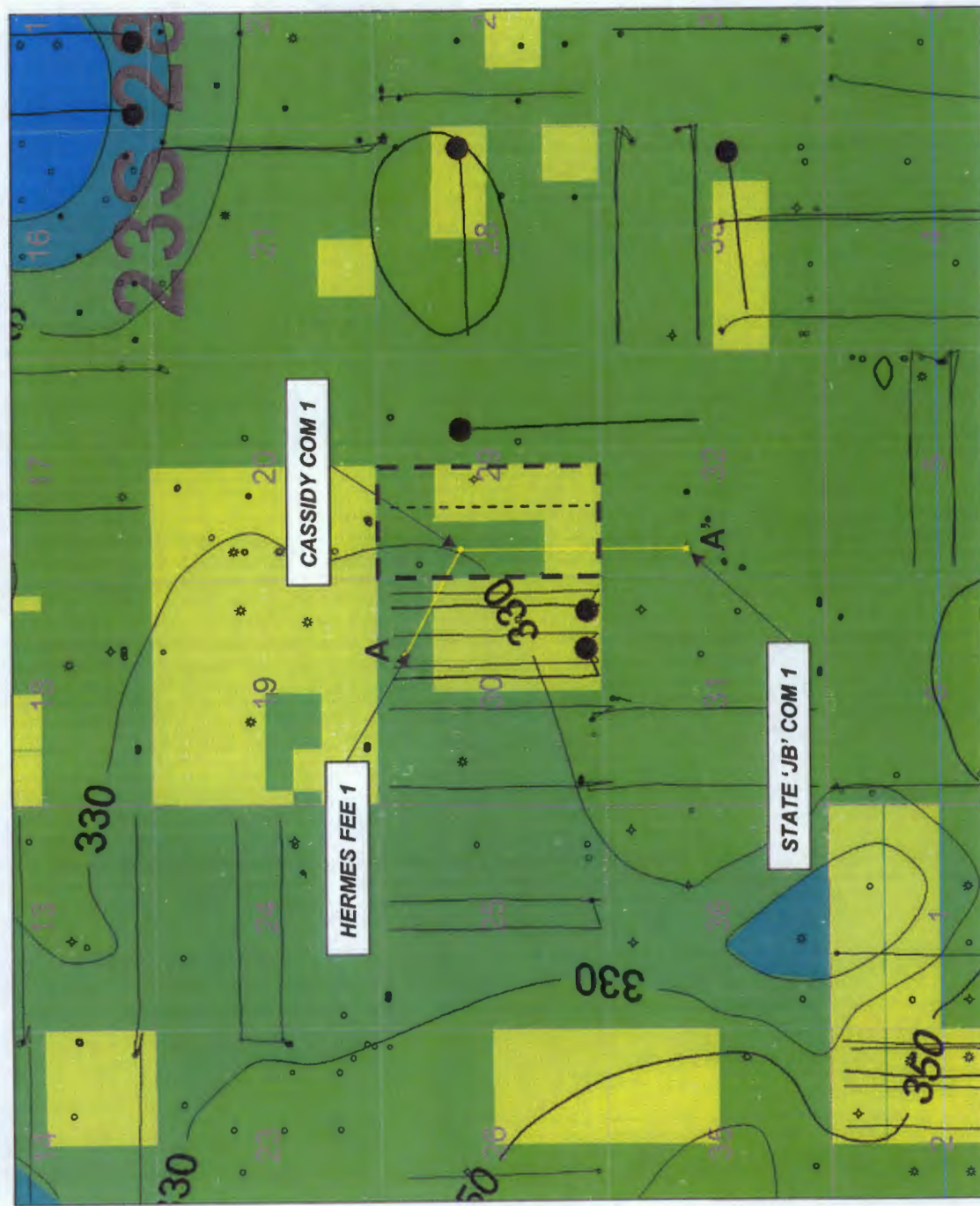
Zeus Fee 23-28-29

Bone Spring Stratigraphic Cross Section (Top Wolfcamp Datum)



Zeus Fee 23-28-29

Gross Interval Isochore – 3rd Bone Spring (20' Contours)



Map Legend

--- MRO – Proposed HZ Wellbore

● Bone Spring HZ Producing Well



MRO Acreage



Project Area

C.I. = 20'

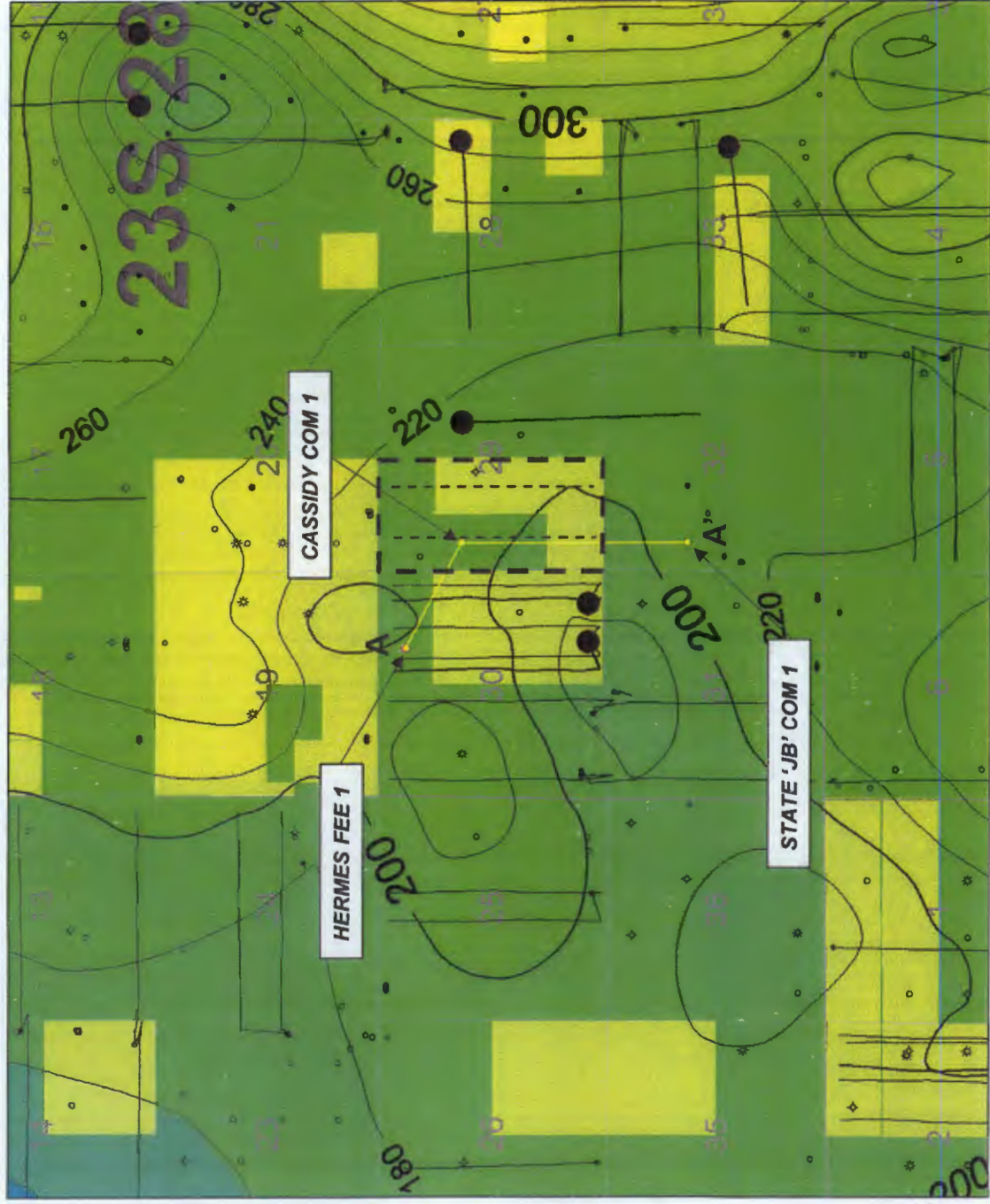
1 mile



Marathon Oil

Zeus Fee 23-28-29

Gross Interval Isochore – 2nd Bone Spring (20' Contours)



Map Legend

MRO – Proposed HZ Wellbore

●
Bone Spring HZ Producing Well

■
MRO Acreage

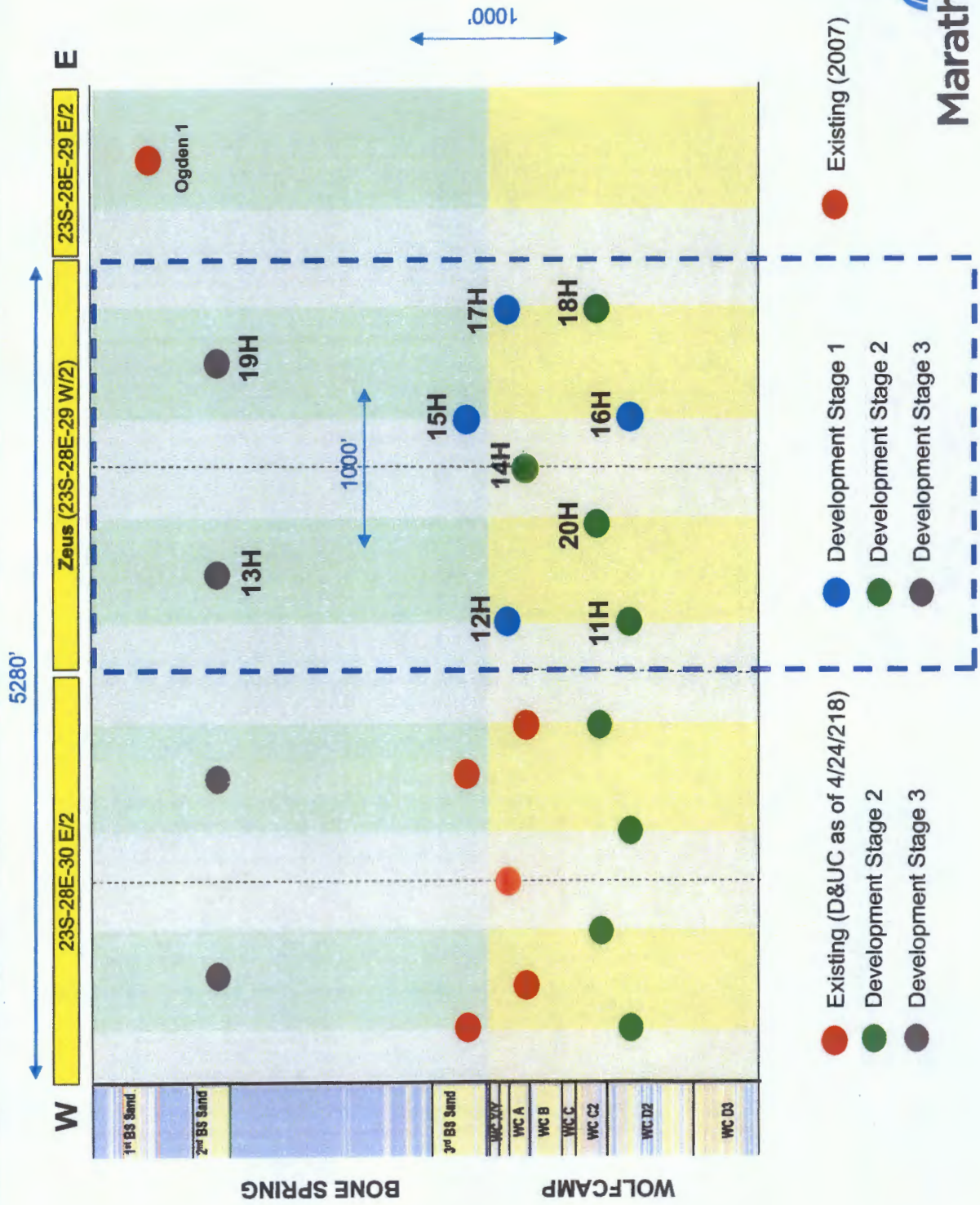
Project Area

C.I. = 20'

1 mile

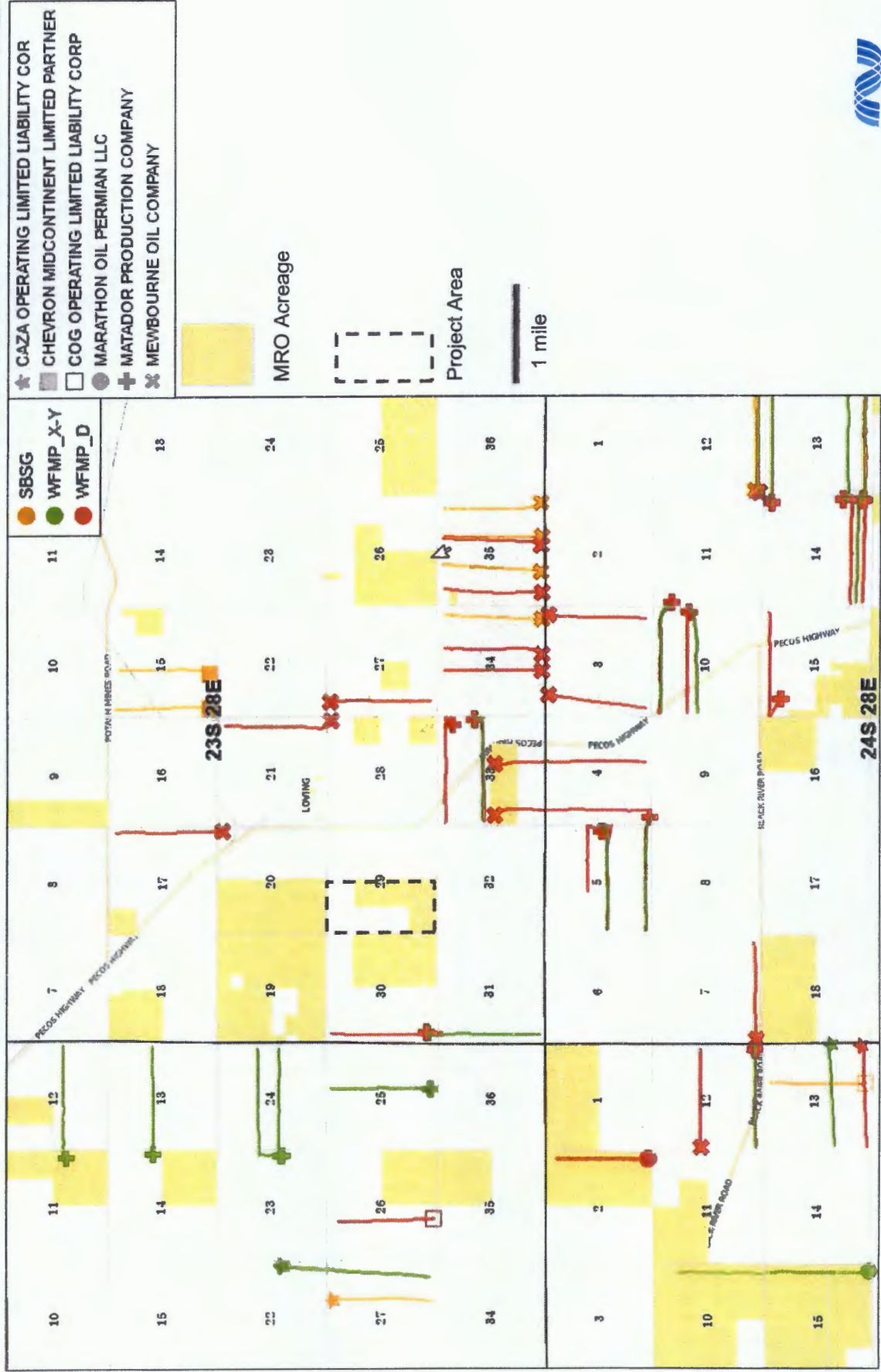
Zeus Fee 23-28-29

MRO development plans



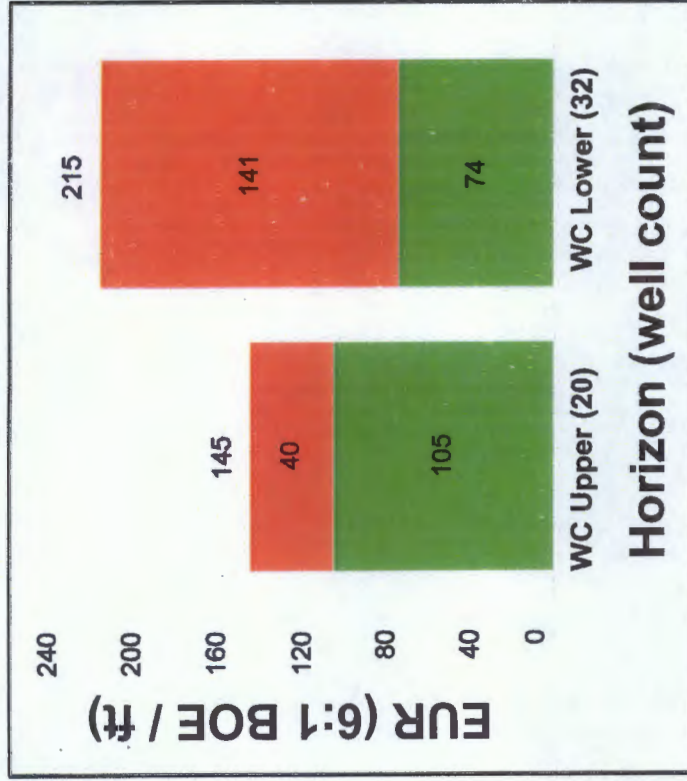
Recent Offset Development

Largely standalone development focused on 2d BS, WC Upper and WC Lower



Recent Offset Development

EURs, OOIP, and RF view



- Volumetrics and decline curve analysis support Marathon's plan of development
- Wolfcamp Lower competes favorably with Wolfcamp Upper
- Effective development of WC Upper and WC Lower requires will and significant capital commitment – which Marathon has

Horizon	RF Input Parameters		Resource In Place Calculations			RF Calculations	
	Oil EUR (MMBBL/sec)	Gas EUR (BCF/sec)	OOIP (MMBBL/sec)	OGEIP (BCF/sec)		Oil RF (%)	Gas RF (%)
3BS+WCXY+W/A (9WPS)	4.3	9.9	25.3	60.9		17%	16%
WC Lower (Gross) (8 WPS)	2.7	31.1	29.2	175.3		9%	18%
DCA (20 wells, WC XY 2010+)							
DCA (32 wells, WC Lower, 2010+)							

EXHIBIT
P(100)



BTA OIL PRODUCERS, LLC

104 SOUTH PECOS STREET
MIDLAND, TEXAS 79701-5021
432-682-3753
FAX 432-683-0311

CARLTON BEAL, JR.
BARRY BEAL
SPENCER BEAL
KELLY BEAL
BARRY BEAL, JR.
STUART BEAL
ROBERT DAVENPORT, JR.

April 10, 2018

GULF COAST DISTRICT
TOTAL PLAZA
1201 LOUISIANA STREET, STE. 570
HOUSTON, TEXAS 77002
713-658-0077 FAX 713-655-0346

ROCKY MOUNTAIN DISTRICT
600 17TH STREET, STE. 2230 SOUTH
DENVER, COLORADO 80202
303-534-4404 FAX 303-534-4661

Email

In re: Proposed Ogden Joint Operating Agreement – COPAS Revision
W/2 Section 29 & NW/4 of Section 32-T23S-R28E
Eddy County, New Mexico

BTA 20509 Ogden, Trs. II, III, IV, VII and X

Marathon Oil Company
5555 San Felipe Street
Houston, TX 77056

Attention: Chase Rice

Mr. Rice:

Enclosed herein please find the revised provision III.1.A.(1) on Page 4 of the COPAS to the proposed Joint Operating Agreement previously sent on December 20, 2017 and dated September 1, 2017, covering W/2 of Section 29 and the NW/4 of Section 32, Township 23 South, Range 28 East, Eddy County, New Mexico, from the top of the Bone Spring formation to the base of the Wolfcamp formation. Please note that the overhead well rates in provision III.1.A.(1) have been lowered to \$800.00/month/producing well and \$8,000.00/month/drilling well in the COPAS. Please substitute the revised Page 4 of the COPAS for the one currently in your possession.

Should you have any questions or wish to discuss, please call me at (432) 682-3753.

Respectfully,

BTA Oil Producers, LLC

Ashley Beal, RPL
Landman

AB

Enclosure

C:\Users\mlagan\Documents\Land\Letters\AB\Marathon-Ogden JOA Copas Cover Letter.docx

16076
MARATHON "R"
EXH. "R"

12. Insurance

Net premiums paid for insurance required to be carried for the Joint Operations for the protection of the Parties. In the event Joint Operations are conducted in a state in which Operator may act as self-insurer for Worker's Compensation and/or Employers Liability under the respective state's laws, Operator may, at its election, include the risk under its self-insurance program and in that event, Operator shall include a charge at Operator's cost not to exceed manual rates.

13. Abandonment and Reclamation

Costs incurred for abandonment of the Joint Property, including costs required by governmental or other regulatory authority

14. Communications

Cost of acquiring, leasing, installing, operating, repairing and maintaining communication systems, including radio and microwave facilities directly serving the Joint Property. In the event communication facilities/systems serving the Joint Property are Operator owned, charges to the Joint Account shall be made as provided in Paragraph 8 of this Section II.

15. Other Expenditures

Any other expenditure not covered or dealt with in the foregoing provisions of this Section II, or in Section III and which is of direct benefit to the Joint Property and is incurred by the Operator in the necessary and proper conduct of the Joint Operations.

III. OVERHEAD

1. Overhead - Drilling and Producing Operations

i. As compensation for administrative, supervision, office services and warehousing costs, Operator shall charge drilling and producing operations on either:

- (☒) Fixed Rate Basis, Paragraph 1A, or
() Percentage Basis, Paragraph 1B

Unless otherwise agreed to by the Parties, such charge shall be in lieu of costs and expenses of all offices and salaries or wages plus applicable burdens and expenses of all personnel, except those directly chargeable under Paragraph 3A, Section II. The cost and expense of services from outside sources in connection with matters of taxation, traffic, accounting or matters before or involving governmental agencies shall be considered as included in the overhead rates provided for in the above selected Paragraph of this Section III unless such cost and expense are agreed to by the Parties as a direct charge to the Joint Account.

ii. The salaries, wages and Personal Expenses of Technical Employees and/or the cost of professional consultant services and contract services of technical personnel directly employed on the Joint Property:

- () shall be covered by the overhead rates, or
(☒) shall not be covered by the overhead rates.

iii. The salaries, wages and Personal Expenses of Technical Employees and/or costs of professional consultant services and contract services of technical personnel either temporarily or permanently assigned to and directly employed in the operation of the Joint Property:

- (☒) shall be covered by the overhead rates, or
() shall not be covered by the overhead rates.

A. Overhead - Fixed Rate Basis

(1) Operator shall charge the Joint Account at the following rates per well per month:

Drilling Well Rate \$ 8,000.00
(Prorated for less than a full month)

Producing Well Rate \$ 800.00

(2) Application of Overhead - Fixed Rate Basis shall be as follows.

(a) Drilling Well Rate

- (1) Charges for drilling wells shall begin on the date the well is spudded and terminate on the date the drilling rig, completion rig, or other units used in completion of the well is released, whichever is later, except that no