

Summary of Communications
Yardbirds "3" W0AP Fee #2H Well
Yardbirds "3" W2AP Fee #1H Well
E/2 of Section 3, T24S, R28E
Eddy County, New Mexico

Facowie Energy, a sole Proprietorship

2-16-2017 Sent well proposal via certified mail with copy of our AFE and listed our proposed overhead rates

2-27-2017 Have not received proof of delivery for the well proposal and have not heard any response from this company to date

The Estate of John P Bates, Deceased

2 25-2016 Proposed a previously drilled and completed well on this acreage I received a call from James Bates in which we discussed our development plans for this acreage He informed me that he is the son of John P Bates who is deceased He then sent me an email with probate material regarding the estate of John P Bates Deceased

3-2 2016 I sent James an email that outlined the ownership in Section 3 as well as an offer to purchase the interest if they did not wish to participate in the drilling of the a previously proposed and drilled well

2 16 2017 Sent well proposal via certified mail with copy of our AFE and listed our proposed overhead rates We have not received proof of delivery to date

2 21 2017 Received an email from James Bates who is the son of John P Bates deceased

2 27 2017 Sent a reply email to James Bates regarding our well proposal and willingness to purchase the interest if they do not wish to participate in the drilling of the wells

J M Turney and husband, Steve Turney

2 16-2017 Sent well proposal via certified mail with copy of our AFE and listed our proposed overhead rates

2-27 2017 Have not received proof of delivery for the well proposal and have not heard any response from these individuals to date

EXHIBIT 3

MEWBOURNE OIL COMPANY

500 West Texas Suite 1020
Midland Texas 79701
Phone (432) 682 3715
Fax (432) 685 4170

February 16 2017

Via Certified Mail

Mr and Mrs John P Bates
5214 Ridgewood Reef
Houston Texas 77041

| | | | |
|----|--------------------------------|------------|-------------------------------|
| Re | Yardbirds '3 W0AP Fee #2H Well | <u>AND</u> | Yardbirds 3 W2AP Fee #1H Well |
| | 185 FNL & 450 FEL (SL) | | 185 FNL & 400 FEL (SL) |
| | 330 FSL & 450 FEL (BHL) | | 330 FSL & 400 FEL (BHL) |
| | Section 3 T24S R28E | | Section 3 T24S R28E |
| | Eddy County New Mexico | | Eddy County New Mexico |

Ladies and Gentlemen

Mewbourne Oil Company (' Mewbourne) as Operator hereby proposes to drill the captioned wells at their referenced surface locations (SL) to their referenced bottom hole locations (BHL) The proposed Yardbirds '3 W0AP Fee #2H well will be drilled to a true vertical depth ('TVD) of approximately 9 598 feet subsurface to evaluate the Upper Wolfcamp Sand interval of the Wolfcamp formation for oil and gas production The proposed well will have a horizontal measured depth ("MD) of approximately 14 175 feet The E/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area

The proposed Yardbirds '3 W2AP Fee #1H Well will be drilled to a true vertical depth (TVD) of approximately 10 583 feet subsurface to evaluate the Middle Wolfcamp Shale interval of the Wolfcamp formation for oil and gas production The proposed well will have a horizontal measured depth ('MD) of approximately 15 100 feet The E/2 of the captioned Section 3 will be dedicated to the well as the pooled oil proration unit and project area

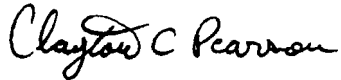
Enclosed for your further handling are our AFE s dated December 1 2016 for the captioned proposed wells In the event you elect to participate in the proposed wells please execute the enclosed AFE s and return to me at your earliest convenience The proposed Yardbirds "3 W0AP Fee #2H well is scheduled to spud around mid March of this year, and the Yardbirds "3 W2AP Fee #1H well will be drilled directly after the W0AP Fee #2H well

Mr & Mrs John P Bates
Yardbirds 3 W0AP Fee #2H and W2AP Fee #1H Wells
E/2 of Section 3 T24S R28E
February 16 2017
Page 2 of 2

For your information the proposed overhead rates in the COPAS of the Joint Operating Agreement are \$7 500 for Drilling Months and \$750 for Producing Months Should you have any questions regarding the above please email me at cpearson@mewbourne.com or call me at (432) 682 3715

Sincerely

MEWBOURNE OIL COMPANY

A handwritten signature in black ink that reads "Clayton C Pearson". The signature is written in a cursive style with a large initial 'C'.

Clayton Pearson
Landman

Clayton Pearson

From Clayton Pearson
Sent Monday February 27 2017 6 35 PM
To James
Subject Yardbirds 3 W2AP Fee #2H and Yardbirds 3 W0AP Fee #1H Wells

Dear James

I was forwarded an email that you had sent to our attorney Jim Bruce on February 21 2017 regarding the subject wells to be drilled in the E/2 of Section 3 T24S R28E Eddy County NM in the near future You and I previously discussed the ownership in this acreage via email exchanges in March 2016 There is some curative work that needs to be done with this interest the estate of your father needs to be probated in New Mexico for title to pass to your mother

You have the option to participate in the drilling of these 2 wells or we may be willing to purchase an assignment on this interest if our attorneys feel that the outstanding curative is not too risky Feel free to call or email to discuss further

Sincerely



Clayton Pearson
Land Department
Mewbourne Oil Company
500 W Texas, Ste 1020
Midland TX 79701 US

Phone (432)682 3715 | Fax (432)685 4170
Email CPearson@Mewbourne.com

MEWBOURNE OIL COMPANY

500 West Texas Suite 1020

Midland Texas 79701

Phone (432) 682 3715

Fax (432) 685 4170

February 16 2017

Via Certified Mail

J M Turney and Steve Turney
3144 Wabash Ave
Fort Worth Texas 76109

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|----|--------------------------------|------------|--------------------------------|
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J M Turney and Steve Turney
Yardbirds 3 W0AP Fee #2H and W2AP Fee #1H Wells
E/2 of Section 3 T24S R28E
February 16 2017
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MEWBOURNE OIL COMPANY

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Clayton Pearson
Landman

MEWBOURNE OIL COMPANY

500 West Texas Suite 1020
Midland Texas 79701
Phone (432) 682 3715
Fax (432) 685 4170

February 16 2017

Via Certified Mail

Facowie Energy
1732 Star Crest Place
San Marcos California 92078

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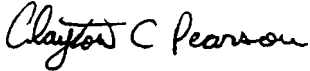
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Clayton Pearson
Landman