

STEWARD
ENERGY II

February 28 2017

CERTIFIED MAIL #7016137000067823102

ChivoOil LLC a Texas Limited Liability Corporation
P O Box 3061
Midland TX 79702

**Re Steward Energy II, LLC Well Proposal – POLLOS HERMANOS STATE #5H
E/2W/2 of Section 10 & E/2SW of Section 3 – 14S-38E
Lea County, New Mexico**

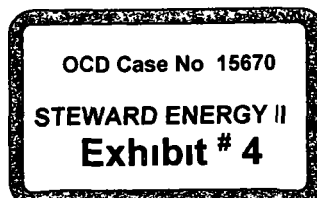
This letter will serve as notice pursuant to the 19 15 13 New Mexico Administrative Code of the plans of Steward Energy II LLC (Steward) to drill the above referenced well

Steward proposes to the drill the Pollos Hermanos State #5H well from a surface location in the SESW of Section 10-14N-38W Lea County New Mexico This well is planned as a Horizontal well with the San Andres formation as the target and will be drilled to an approximate total depth of 13 000 feet This is a 240 Acre Project Area Drilling Unit comprised of the above referenced sections The AFE is attached with costs of \$875 125 00 dry hole and \$3 993 895 00 completed The Pollos Hermanos State #5H well is expected to spud on or before June 1 2017

A recent records check indicates that you have a mineral interest in this Project Area and you are offered participation in the Pollos Hermanos State #5H well based upon your ownership

Please indicate your participation election for the Pollos Hermanos State #5H well in the space provided below If you elect to participate in this well please also sign the attached AFE and return the signed letter and AFE along with you well data requirements

In the even you elect to NOT participate in the drilling of the Pollos Hermanos State #5H well please indicate such election below and return a signed copy of this letter Please be advised that Steward plans to impose a risk penalty in accordance with New Mexico law as defined in 19 15 13 New Mexico Administrative Code



Your election must be received by Steward within 30 days of the date this proposal was received by you. Failure to respond within 30 days shall be deemed an election NOT to participate. Please send your election to

Steward Energy II, LLC
Land Department
3211 Internet Blvd , Suite 150
Frisco Texas 75034

For questions regarding **land issues** please contact Taylor Warren
taylor.warren@stewardenergy.net
(214) 297-0500 extension 520

For questions regarding **operation issues**, please contact Scott Stedman
scott.stedman@stewardenergy.net
(214) 297-0500 extension 514

Respectfully



M Taylor Warren
Land Manager

Attachment

The undersigned elects **(to)** **(not to)** participate in the Pollos Hermanos State #5H well with its proportionate interest

ChivoOil LLC a Texas Limited Liability Corporation

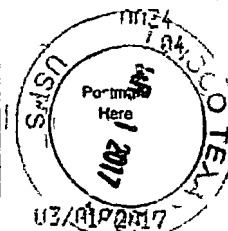
By _____ Date _____

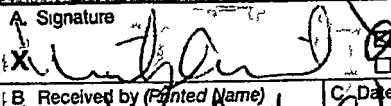
7016 1370 0000 6782 3102

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For delivery information, visit our website at www.usps.com	
MIDLAND, TX 79702 MIDLAND, TX 79702	
Certified Mail Fee \$ 0.70	Extra Services & Fees (check box, add fee if applicable) ☐ Return Receipt (hardcopy) \$ 2.80 ☐ Return Receipt (electronic) \$ 0.00 ☐ Certified Mail Restricted Delivery \$ 3.00 ☐ Adult Signature Required \$ 0.00 ☐ Adult Signature Restricted Delivery \$ 0.00
Postage \$ 7.11	Postmark Here 17/10/2017
ChivoOil, LLC P O Box 3061 Midland, TX 79702	
See Reverse for Instructions	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
- 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	A. Signature ☒ <i>Kathy Nobles</i> ☐ Agent ☐ Addressee B. Received by (Printed Name) <i>Kathy Nobles</i> C. Date of Delivery <i>3-10-17</i> D. Is delivery address different from item 1? ☐ Yes ☐ No If YES enter delivery address below:
1 Article Addressed to ChivoOil, LLC P O Box 3061 Midland, TX 79702	3 Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Collect on Delivery ☐ Signature Confirmation™ ☐ Insured Mail Restricted Delivery (over \$500) ☐ Signature Confirmation Restricted Delivery
2 Article Number (from label) 7016 1370 0000 6782 3102	

7016 1370 0000 6782 3126

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Certified Mail Fee \$0.35 Extra Services & Fees (check box, add fee to postage) ☐ Return Receipt (hardcopy) \$0.00 ☐ Return Receipt (electronic) \$0.00 ☐ Certified Mail Restricted Delivery \$11.00 ☐ Adult Signature Required \$2.00 ☐ Adult Signature Restricted Delivery \$2.00	
Postage \$0.71	
Total \$7.11	
Sent	Collins Partners, Ltd
Street	5000 Burnett Road
City	Austin, TX 78756
PS Form 3811, July 2015 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 Collins Partners, Ltd 5000 Burnett Road Austin, TX 78756 9590 9402 2449 6249 3793 62	COMPLETE THIS SECTION ON DELIVERY A. Signature  ☒ Agent ☐ Addressee B. Received by (Printed Name) Markiz Arick C. Date of Delivery 3/2/17 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 ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation Restricted Delivery
2. Article Number (Transfer from container) 7016 1370 0000 6782 3126	
PS Form 3811 July 2015 PSN 7530-02-000-9053 Domestic Return Receipt	

7016 1370 0000 6782 3119

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For delivery information, visit our website at www.usps.com	
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Certified Mail Fee \$ 2.70	
Extra Services & Fees (check box)	
☐ Return Receipt (hardcopy) \$ 0.00	
☐ Return Receipt (electronic) \$ 0.00	
☐ Certified Mail Restricted Delivery \$ 0.00	
☐ Adult Signature Restricted Delivery \$ 0.00	
Postage \$ 11.00	
Total \$ 13.70	
Sent to Paul Davis Ltd P O Box 871 Midland, TX 79702	

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 Paul Davis Ltd P O Box 871 Midland, TX 79702	COMPLETE THIS SECTION ON DELIVERY A. Signature ☒ Agent ☒ Addressee B. Received by (Printed Name) Selemeh Lutfelli C. Date of Delivery 3-22-17 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
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9590 9402 2449 6249 3793 55

7016 1370 0000 6782 3119

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LOS ANGELES, CA 90067
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Certified Mail Fee \$3.75

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

☐ Return Receipt (hardcopy)	\$0.00
☐ Return Receipt (electronic)	\$0.00
☐ Certified Mail Restricted Delivery	\$11.00
☐ Adult Signature Required	\$0.00
☐ Adult Signature Restricted Delivery	\$0.00

Postage \$11.70

Total P \$7.15

Sent To **Katherine Cone Keck**
Street **1801 Avenue of the Stars, Suite 446**
City St **Los Angeles, CA 90067**

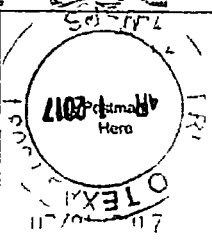
PS Form 3811, July 2015 PSN 7530-02-000-9053

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY												
☒ 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 Katherine Cone Keck 1801 Avenue of the Stars, Suite 446 Los Angeles, CA 90067 9590 9402 2449 6249 3793 79 7016 1370 0000 6782 3133	A. Signature X ☐ Agent ☐ Addressee B. Received by (Printed Name) STEVEN M. B-4-17 C. Date of Delivery 3-4-17 D. Is delivery address different from item 1? ☐ Yes If YES enter delivery address below ☐ No 3 Service Type <table border="0" style="width: 100%;"> <tr> <td>☐ Adult Signature</td> <td>☐ Priority Mail Express®</td> </tr> <tr> <td>☐ Adult Signature Restricted Delivery</td> <td>☐ Registered Mail™</td> </tr> <tr> <td>☐ Certified Mail®</td> <td>☐ Registered Mail Restricted Delivery</td> </tr> <tr> <td>☐ Certified Mail Restricted Delivery</td> <td>☐ Return Receipt for Merchandise</td> </tr> <tr> <td>☐ Collect on Delivery</td> <td>☐ Signature Confirmation™</td> </tr> <tr> <td>☐ Certified Mail Restricted Delivery</td> <td>☐ Signature Confirmation Restricted Delivery</td> </tr> </table>	☐ Adult Signature	☐ Priority Mail Express®	☐ Adult Signature Restricted Delivery	☐ Registered Mail™	☐ Certified Mail®	☐ Registered Mail Restricted Delivery	☐ Certified Mail Restricted Delivery	☐ Return Receipt for Merchandise	☐ Collect on Delivery	☐ Signature Confirmation™	☐ Certified Mail Restricted Delivery	☐ Signature Confirmation Restricted Delivery
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☐ Collect on Delivery	☐ Signature Confirmation™												
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☐ Return Receipt (hard copy) \$2.80	
☐ Return Receipt (electronic) \$1.10	
☐ Certified Mail Restricted Delivery \$11.10	
☐ Adult Signature Required \$3.50	
☐ Adult Signature Restricted Delivery \$	
Postage \$1.71	
Total Postage and Fees \$	
Sent	
Street	
City	
PSF	Instructions

Steven E Cone Jr
P O Box 10321
Lubbock, TX 79408



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
☒ Complete items 1, 2, and 3	A. Signature x <i>Winegeart</i> ☐ Agent ☐ Addressee
☒ Print your name and address on the reverse so that we can return the card to you	B. Received by (Printed Name) V <i>Winegeart</i>
☒ Attach this card to the back of the mailpiece or on the front if space permits	C. Date of Delivery JUN 6 2017
1. Article Addressed to: Steven E Cone Jr P O Box 10321 Lubbock, TX 79408	D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below ☐ No
2. Article Number (Transfer from service label) 7016 1370 0000 6782 3140	3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Collect on Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery

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Extra Services & Fees (check box, add fee for each extra service) ☐ Return Receipt (hardcopy) \$ 1.10 ☐ Return Receipt (electronic) \$ 0.00 ☐ Certified Mail Restricted Delivery \$ 0.00 ☐ Adult Signature Required \$ 0.00 ☐ Adult Signature Restricted Delivery \$ 0.00	
Postage \$ 11.71	
Total Price \$ 12.06	
Sent To Owen W McWhorter Jr 3019 21st Street Lubbock, TX 79410	

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

Owen W McWhorter Jr
3019 21st Street
Lubbock, TX 79410

9590 9402 2449 6249 3793 31

7016 1370 0000 6782 3096

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent ☐ Addressee

B. Received by (Printed Name) _____

C. Date of Delivery **7/4/17**

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	☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery
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☐ Insured Mail Restricted Delivery (over \$500)