BACK Nine PROPERTIES, LLC

5949 Sherry Lane, Suite 835 Dallas, Texas 75225 (972) 781-6666

April 17, 2017

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: Working Interest Owners

RE: <u>Well Proposal</u> Bandon Dunes 2H W2E2 Section 6-T10S-R28E Chaves County, New Mexico

Dear Working Interest Owner:

Back Nine Properties, LLC ("Back Nine") proposes to drill the **Bandon Dunes 2H** well as a horizontal well from a surface hole location 50' FSL & 1320' FEL, Section 6-T10S-R28E and a bottom hole location of 330' FNL & 1320' FEL, Section 6-T10S-R28E, or at a legal location as approved by the governing regulatory agency, to a total vertical depth of approximately 2,300' and a measured depth of 6,900' to test the San Andres Formation ("Operation"). The total cost of the Operation is estimated to be <u>\$1,644.156.00</u>. A detailed description of the cost is set out in the enclosed Hadaway Consulting & Engineering, LLC Authority for Expenditure ("AFE").

Please indicate your participation election in the space provided below and return this letter, along with an executed AFE and a copy of your geological well requirements to the corporation address listed above, Attention: David L. Cherry, Jr (DJ). Should you have any questions, please do not hesitate to contact myself or Mr. DJ Cherry at the telephone number listed above.

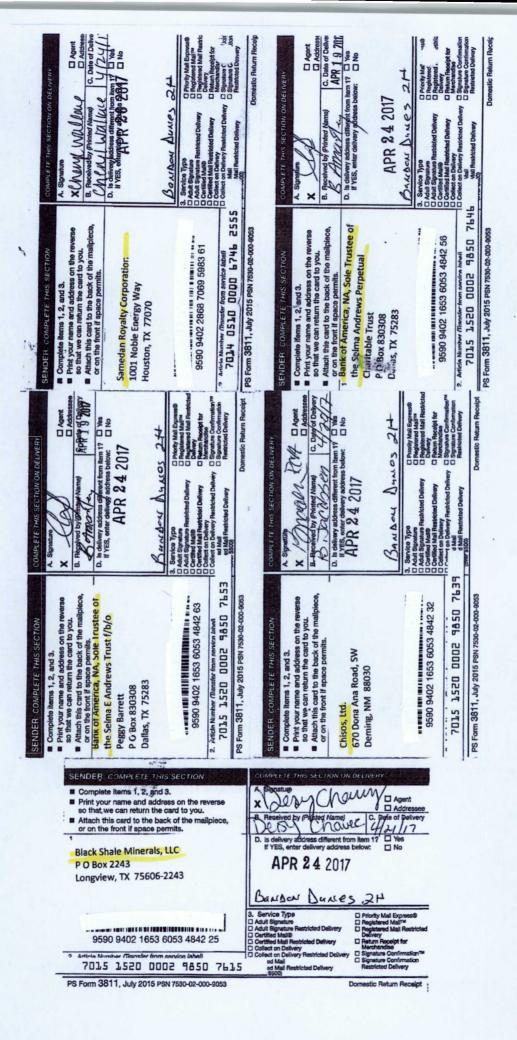
Very truly yours,

BACK NINE PROPERTIES, LLC

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Diana L. Millsap, Landman





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