

Dismissed Cases.

Tex Zia Properties, LTD.

P.O. 261427
Plano, TX 75026-1427

972-527-8699
Weldon@TexZia.com

Certified Mail 7017 3040 0000 0438 3398

January 30, 2019

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Forced Pooling Hearing February 7, 2019
 Cranberries "18" No. 1H Well *Case No. 20227*
 Toadies 18 No. 1H Well *Case No. 20232*

Dear Sir or Madam;

We wish to appear at the hearing scheduled on February 7, 2019 regarding the issue of forced pooling by Percussion Petroleum Operating, LLC on the Cranberries "18" No. 1H Well and the Toadies 18 No. 1H Well. We do not have experience with these hearings, but do not expect to need more than 15 minutes. I plan to attend the hearing. My wife, Sara C. Montgomery, and a lawyer from our law firm may attend.

The letter from Holland & Hart dated January 18, 2019 states that Petroleum Operating, LLC has "sought and been unable to obtain voluntary agreement for the development of these lands".

Any representation of this type to the New Mexico Oil Conservation Division is incorrect, misleading and false.

Petroleum Operating, LLC has not contacted us about either of these wells.

Petroleum Operating, LLC knows how to contact us as they been sending us checks for the last couple of years. We received a bonus check dated January 10, 2019 check number 15532 for a lease just completed. This lease also involved emails with several individuals with Petroleum Operating, LLC. We also did another lease with Petroleum Operating, LLC in 2018.

Continued

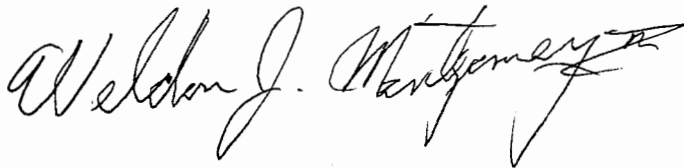
Letter to New Mexico Oil Conservation Division
Dated January 30, 2019
Certified Mail 7017 3040 0000 0438 3398
Page 2 of 2

We are ready to formulate an "agreement for the development of these lands" using the identical agreement used pursuant to the above referenced check.

We will have the above referenced documents available at the hearing.

We will request in the hearing that Petroleum Operating, LLC not be allowed to force pool as they have never attempted to obtain any type of agreement from us.

Sincerely,

A handwritten signature in black ink, reading "Weldon J. Montgomery II". The signature is fluid and cursive, with a large, stylized "W" and "M".

Weldon J. Montgomery II
Partner

Cc Holland & Hart
P.O. Box 2208
Santa Fe, NM 87504-2208