

## Yates Brothers, a Partnership

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6/23/14 - 9:22 AM

Emailed Jim to see about leasing mineral interest.

6/23/14 - 1:04 PM

Received email back saying to call him because he was in the office.

6/23/14 - 2:36 PM

Called and left message to call me back

6/30/14 - 9:38 AM

Contacted Jim Ball. He said he will get back with me tomorrow or Wednesday with additional interest they may have too.

8/15/14

Left message to call me back to discuss the lease.

8/19/14

Left message to call me back to discuss the lease and let me know that I would be emailing a copy of the lease to him via email in the next couple of days.

8/21/14 - 4:16 PM

Emailed copy of the lease and requested that he call me back.

8/22/14

Left message to make sure that he got the lease via email and also to discuss with him.

8/22/14 - 11:25 AM

Emailed him a copy of the lease that we felt was still in effect and a copy of the mineral deed where it went from Chevron Texaco to Yates Petroleum.

8/27/14

Left message to discuss the lease.

9/3/14

Left message to discuss the lease.

9/3/14 - 11:24 AM

He acknowledged that he received my message via email and was out of the office and covered up. He said it was hard for him to present the lease without a better royalty. He said he would get back with me and was wondering if we would offer a 1/4 royalty.

9/3/14

Talked to Jim Ball. Stated to him that I thought that we had an effective lease. Told him that it was a Texaco lease that they assumed. He said that he was working on a rush project and will hopefully get back to me in a couple of days.

9/11/14

Left a message about the lease.

9/15/14

Left a message about the lease.

9/18/14

Talked to Jim Ball and he is still working on the rush project. Still has not gotten a chance to review the lease. He had stated there was a specific way the acknowledgement had to be on the paperwork. I asked him to please send it to me and I would correct it.

9/23/14

Left a message for him requesting the wording for the acknowledgement for the Yates Brothers.

9/23/14 - 3:31 PM

Received an email with the example notarial block for Yates Brothers that his attorney had provided him.

9/23/14

Called main number and left a message that revision was coming via email.

9/23/14 - 3:37 PM

Emailed him a correct lease with the notarial block and let me know that we were still offering the 1/6 royalty with a \$25.00 per net mineral acre bonus payment. Also let me know that the force pooling hearing was set for October 30th.

9/23/14 - 3:40 PM

Received an email back asking about the ratification and also a copy of the previously lease. They were unable to locate it in his records.

9/23/14 - 4:07 PM

Forwarded a copy of the Chevron Texaco Lease and Mineral Deed that he had previously requested.

9/24/14 - 9:26 AM

Forwarded another copy of the Chevron Texaco Lease and Mineral Deed.

9/30/14

Talked to Jim Ball. He said he is going to try to work on it this afternoon.

10/2/14

Talked to him to check on the status of the lease. He still has not gotten to it yet.

10/8/14

Talked to Jim and he said that he is working on it today and will email or call with the status of it.

10/10/14 - 8:29 AM

Received an email from Jim Ball stating he did not get to it last night but will try to get to it in the next hour.

10/10/14 - 5:04 PM

Received an email from Jim Ball and he said he would go through his files on Monday and will call after that review was done. He is looking for the ratification copy that was signed and sent back. He stated he also received the notice for the force pooling hearing.

10/13/14

Call and left a message to check on the status of the lease.

10/14/14 - 9:19 AM

Received email this morning and Jim said he was sick Monday and would be working on it this morning.

10/14/14 - 12:41 PM

Sent Jim Ball an email with a copy of the original ratification that was sent out.

10/15/14 - 1:26 PM

Received email from Jim Ball asking questions about the ratification.

10/15/14 - 1:30 PM

Responded to him and let him know that I didn't know what the figures were they used for the ratification and will get with Mitch and let him know.

10/16/14 - 3:15 PM

Received an email from Jim with that our lease was horrible. They wanted to use their lease form. He emailed a copy of their lease form and an Exhibit "A".

10/16/14 - 3:21 PM

Received another email with a revision to his information.

10/16/14 - 4:54 PM

Received another email that he spelt Sovereign's name incorrectly in the header of the Exhibit.

10/17/14 - 1:00 PM

Sent an email to Jim Ball about title opinions and drilling opinions. Explained that he was a royalty owner and that the working interest owners are the ones that receive copies of that information. If he didn't have issues getting that information before, it was probably because he was a working interest owner. Requested that he look at our lease again and try to revise our lease form.

10/17/14 - 2:23 PM

Received an email back from Jim Ball stating our lease had too many changes and he don't have time to do it and it would take too long and he don't like it. He stated it is the worst he has even seen in his career and cannot in good conscience put it in front of the Yates. He at this point threatened a farmout agreement.

10/17/14 - 3:02 PM

Received a call from Jim Ball. He is still upset that we will not give him a copy of the title opinions, send him daily drilling reports, drilling opinions, seismic information and other paperwork. He stated that Yates Brothers did not wish to be a working interest owner or a participant in the well, but it was common to receive this information even being a working interest owner. He stated it was a common practice to receive that type of information even being a royalty owner. He also said that in his 35 years of practice he has never been denied that information and thought it was ridiculous he was now just because he was a royalty interest owner.

10/20/14 - 4:28 PM

Emailed him a copy of our lease again and asked him to please take an opportunity to go through it and make revisions. Thanked him again for responding to my emails and phone calls. Let him know we would still like to reach an agreement and felt like if each of us gave a little we could come to one.

10/21/14 - 2:43 PM

Mr. Ball finally took the lease form to Mr. Yates. They reviewed the our lease form and marked it up manually. Gave to Mitch for review.

10/23/14 - 2:51 PM

I let him know that Mitch was working on it and I would get it back to him no later than Friday and we can work on it.

10/23/14 - 2:52 PM

Received email from Jim Ball. He stated that would be fine, but he didn't know if the terms, bonus, lease and royalty was acceptable or not.

10/23/14 - 3:25 PM

I let him know that the 3 year term was fine which is what that changed it to. Let him know that we were paying all of the royalty owners the same. I also let him know that the revisions that we had and the ones he had would be submitted back to him on Friday.

10/23/14 - 3:31 PM

Received an email from Jim Ball. He stated that all the terms had to be approved by Mr. Yates.

10/24/14 - 2:28 PM

Emailed the copy of the revised lease back to him and Cc Mitch on the email. Also ask if Mitch could call him or her could call Mitch on Saturday to talk to him about the lease.

10/27/14 - 5:20 PM

Received an email from Jim Ball. Stated he had meetings most of the day and would be in Oklahoma City starting Wednesday afternoon. He stated that it was probably best if we tried to resolve the issue with his initial suggestion.

10/28/14 - 4:23 PM

Received an email from Jim Ball with a list of questions. Forwarded it to Mitch.

10/28/14 - 4:43 PM

Sent Jim an email requesting what prompted questions and that it would take a bit of effort to gather answers to questions.

10/28/14 - 5:19 PM

Received an email from Jim Ball stating that the answers should be repetitive for the most part. Wanted to know who benefited from the deductions in the gas production. Forwarded a copy to Mitch.

10/30/14 - 11:08 AM

Mitch said that he forwarded the request to management to answer the questions.

10/30/14 - 2:51 PM

Mitch sent an email to Jim Ball and stated that we tried to negotiate the terms of the lease and it is probably in both our interest to wait for this to go to the force pooling hearing.

11/5/14

David Lanning, the Exploration & Development Manager, sent a letter to Jim Ball with all of the answers to the questions he sent in the email.

## **R.B. Cowden Family Properties**

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6/23/14 - 10:46 AM

Talked to Edwin Magruder about the possibility of leasing Section 26. He stated to send a copy of the lease and also a plat of the area. I explained to him I would be happy to do so and it would be sent sometime the end of July. He said he would look at it when it got there. I believe the Edwin is the Trustee of the trust or the Registered Agent but it is the uncle of the owners of the minerals. He has signing authority for R.B. Cowden Family Properties.

7/29/14

Mailed a hard copy of the lease and plat via delivery confirmation. Received it July 31, 2014.

8/5/14 - 2:39 PM

Talked to Edwin and he received the lease. He will talk to the 3 daughters and see what they will consider and if they will consider leasing.

8/8/14 - 10:27 AM

Left message to check on status of lease

8/8/14 - 2:32 PM

Received a letter dated 8/4/14 from Edwin Magruder that had a counter offer of 1/4 royalty and 3 year term. Plus he was questioning the bonus payment amount. He said he would be talking to last daughter this weekend. The other daughters have agreed in the Cowden Properties. There are 3 daughters that make up R.B. Cowden Family Properties.

8/12/14

He will talk to the last daughter this afternoon since she is coming to see him.

8/15/14

Left message to check on status of lease.

8/20/14

Talked to Elaine and she said they will be taking things over from Edwin Magruder. He is 90 something years old and things have not been getting done with R.B. Cowden Family Properties as they should have been. She will be taking things over. She located a copy of the lease that came in the mail and will be talking to their attorney and providing us a copy of their lease.

8/25/14

Elaine said they have a lease at the attorney's office and she will be back in the office on Thursday. At that point she will call me back then.

9/5/14

Left a message checking on the status.

9/10/14 - 2:57 PM

Received an email from Elaine with a copy of their lease form. Will review and provided Mitch a copy to review also. She stated 1/4 royalty and to get an average lease bonus of \$210.00 per net acre

was the average. However, they would agree to 1/4 royalty and no bonus for two years 2. However, we would have to comply with their lease form.

9/24/14 - 12:07 PM

Sent an email with the revised lease form with the acknowledgement and asked if they could make revisions to our form. Thanked her for submitting their lease form, but we are trying to keep everyone uniform on the same lease. Explained all the issues with the Tule field and why we were offering a low royalty and low bonus payment. Also, let her know that we had a force pooling hearing scheduled for October 30th. Let her know that we thought all of the interest belonged to R.B. Cowden Family Properties, LTD. Did also point out that on her lease with paragraph 12, it requested copies of title opinions, reports, seismic data and many other things. Explained that was something that we did not provide to royalty interest owners and that this information was paid for and provided to working interest owners. Ask her to please reconsider our lease and let do revisions so that I could submit them to Mitch for review.

9/30/14

Received a call from Elaine that Tyler Nobles was taking over their stuff. He is a landman that will be working for the R.B. Cowden Family Properties, LTD. I should receive a call from Tyler to discuss the lease.

10/8/14

Left a message and let her know I have not heard from Tyler and was checking on the status of the lease.

10/8/14

Received a call from Elaine and Tyler was on speaker phone. She wants at least 3/16 royalty and will not use the NM Producers 88 form. She said the form is completely dated and no one in the industry is using that form any more. She wants us to use her form and if we agree to their form then we can talk. Otherwise if the terms in her form are not acceptable, then they will go to force pooling hearing to be force pooled.

10/15/14

Left a message for Elaine and Tyler to try to negotiate terms and see if we can come to a term on the lease.

10/17/14 - 5:10 PM

Sent an email to Tyler requesting him to look at our lease and alter our lease form of what they don't like, Waiting on response

10/20/14 - 8:39 AM

Received an email from Tyler saying that he would visit with Elaine and get back in touch with me.

10/20/14 - 4:02 PM

Offer possibly going down on the number of years of the lease if Elaine will consider signing our lease. Have not heard anything from him yet.

10/21/14

Received a call from Tyler stating that she wanted to know what we didn't like about their lease.

10/21/14 - 2:45 PM

Sent an email to Tyler letting him know several of the items on their lease for that we didn't like on their lease form. Asked him if Ms. Elaine would go for the changes that we would like to do so far.

10/22/14 - 12:54 PM

Emailed Tyler requesting an update to see if he had heard back from Elaine. Asked again if they could revise our lease form.

10/22/14 - 12:45PM

He stated that he has not gotten a final word. He was still waiting. He hoped to hear soon.

10/23/14

Left a message to check on the status of where we were at.



## **AMAX Petroleum Corporation**

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8/5/14

Initially thought that the interest that belongs to AMAX was someone else's. Spoke with the other company from 8/5/14 to 8/27/14. Started pursuing AMAX Petroleum Corporation on 8/28/14.

8/28/14

When we found out that AMAX was the owner of the mineral interest, I started doing research on the internet trying to locate someone to talk to about AMAX Petroleum Corporation's mineral interest to see who is responsible for it or who now owns it. There is not much information that can be found on the internet about AMAX Petroleum Corporation. AMAX is a corporation that is no longer in business.

9/3/14

Located a phone number finally for the old president, Lloyd Parks of AMAX. Called and left a message.

9/4/14

Tried to contact the old president again and spoke to the widow of Mr. Lloyd Parks. Ms. Parks informed me that he had passed 1 1/2 weeks prior to me calling. She also stated that she thought that AMAX Petroleum Corporation was a sub-company of American Metal Corporation. Beyond that, she did not know what the status was of the mineral interest or whom to contact about finding out.

Tried to find a good phone number for American Metal Corporation to ask questions and they are no longer in business either.

9/5/14

Went back to try to find someone else that was associated with AMAX Petroleum Corporation. Located a phone number for Walter Holle who was the treasurer of AMAX at the time. I called and left a message.

9/8/14

Left another message for Walter Holle. Tried to locate a phone number for Gary Foster who was also the Treasurer/Vice President of AMAX. Contacted several Gary Foster's that I found good phone numbers for and was unsuccessful on getting in contact with him. Contacted Ms. Parks again and she stated that Mr. Foster had passed several years ago and she thought that Helen Feeney was still alive. Started looking for Helen M Feeney who was the Secretary. Was unable to locate a good phone number for Helen M. Feeney.

9/11/14

Still looking for a good phone number for Helen Feeney. Still unable to find a good number. Left another message for Walter Holle. However, I found a PO Box in Houston, TX that belonged to the corporation at one point and we have the physical address that was at Roosevelt County Clerk's Office. Will wait to try to talk to Mr. Holle and if unsuccessful, then I will try to mail lease to try to get someone to respond.

9/17/14

Found a physical address that was at the Roosevelt County Clerk's Office and also located a PO Box that was on the internet as an address for AMAX. Sent certified return receipt lease and offer to both the PO BOX and also the physical address.

9/29/14

Received lease sent to the physical address back in the mail on 9/29/14. Unable to locate another physical address. Tried to contact Mr. Holle again to ask questions. Left a message.

10/19/14

Received lease sent to the PO box back in the mail on 10/19/14. Unable to locate either a physical address or mailing address for AMAX Petroleum Corporation.

## **Lynne Waite Stoltenberg Ray**

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6/23/14 - 9:05 AM

Left a message to talk about possibly leasing Section 26.

6/23/14 - 9:51 AM

Talked to Lynn Waite Stoltenberg Ray, sister to Sue Anne Campbell. She told me that Sue Anne was in an auto accident and as soon as the lease was received, she would talk to her sister about it.

6/27/14 - 2:25 PM

Message that the lease will be prepared and sent by the end of July.

7/29/14

Mailed a hard copy of the lease to Lynne Waite Stoltenberg Ray via delivery confirmation. Received it August 1, 2014.

8/5/14

Talked to Lynne and she said that the lease was received and will talk to her husband about it Charles Ray.

8/6/14

Lynn is going to talk to her sister Sue Anne about the lease.

8/8/14

Left a message to check on the status of the lease that was sent and see if there was a decision made.

8/12/14

Left a message to check on the status of the lease that was sent and see if there was a decision made.

8/15/14

Left a message to check on the status of the lease that was sent and see if there was a decision made.

8/18/14

Spoke to Charles, Lynn's Husband, and he said he was not going to let them lease for that. He was rude about it and said that type of offer was an insult and he would not let Lynn or Sue Anne sign the lease.

8/25/14

Talked to Lynne. She said she would call her husband and try to get him to contact me about the lease again.

8/26/14

Have not heard from Lynn's husband.

8/27/14

Received a letter from Charles Ray stating that they were not interested in our offer at all.

9/18/14 - 10:25 AM

Left message for Lynne Waite Stoltenberg Ray that a revised lease will be sent to her for the Notarial block on the lease. Sent it to her via regular mail. Also asked for them to reconsider our offer.

10/8/14 - 11:48 AM

Talked to Sue Anne about the revised lease. She said she would talk to her sister and call me back or email.

10/8/14 - 12:54 PM

Received email back from Sue Anne stating that her and her sister were not interested in signing the lease.

10/8/14 - 1:33 PM

I responded and asked if they would be interested in a 3 year term instead of a 5 year term. Saw where the email was read, but never received a response.

## Sue Anne Campbell

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6/23/14 - 9:05 AM

Left a message to talk about possibly leasing Section 26.

6/23/14 - 9:51 AM

Talked to Lynn Waite Stoltenberg Ray, sister to Sue Anne Campbell. She told me that Sue Anne was in an auto accident and as soon as the lease was received, she would talk to her sister about it.

6/25/14 - 9:06 AM

Spoke to Sue Anne and wants to see the lease and offer.

6/27/14 - 2:25 PM

Message that the lease will be prepared and sent by the end of July.

7/29/14

Mailed a hard copy of the lease to Sue Anne Campbell via delivery confirmation. Received it July 31, 2014.

7/29/14 - 4:06 PM

Sent a copy of the lease via email also.

8/5/14

Talked to Lynne and she said that the lease was received and will talk to her husband about it Charles Ray.

8/6/14

Lynn is going to talk to her sister Sue Anne about the lease.

8/8/14

Left a message to check on the status of the lease that was sent and see if there was a decision made.

8/12/14

Left a message to check on the status of the lease that was sent and see if there was a decision made.

8/15/14

Left a message to check on the status of the lease that was sent and see if there was a decision made.

8/18/14

Spoke to Charles, Lynn's Husband, and he said he was not going to let them lease for that. He was rude about it and said that type of offer was an insult and he would not let Lynn or Sue Anne sign the lease.

8/25/14

Talked to Lynne. She said she would call her husband and try to get him to contact me about the lease again.

8/26/14

Have not heard from Lynn's husband.

8/27/14

Received a letter from Charles Ray stating that they were not interested in our offer at all.

9/18/14 - 10:25 AM

Contact Sue Anne and let her know that a revised lease will be sent to her for the Notarial block on the lease. Sent it to her via email and regular mail. Also asked for them to reconsider our offer.

10/8/14 - 11:48 AM

Talked to Sue Anne about the revised lease. Emailed her another copy of the lease. She said she would talk to her sister and call me back or email.

10/8/14 - 12:54 PM

Received email back from Sue Anne stating that her and her sister were not interested in signing the lease.

10/8/14 - 1:33 PM

I responded and asked if they would be interested in a 3 year term instead of a 5 year term. Saw where the email was read, but never received a response.

## Michael Jackson Canon

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6/23/14 - 10:04 AM

Left message to return my call about leasing interest.

7/1/14

Talked to Mike and Tim Canon about leasing land for the Joe Canon Trust and their personal interest. Tim stated that they would all be together for a family reunion and they were talking about putting the interest into a trust and combining all the Canon interest. They requested a lease filled out for the Joe Canon Testamentary Trust and also a lease for all of the Canon interest combined together so that they could talk to the rest of the family.

7/29/14

Mailed a hard copy of both leases to Mike Canon and also to Tim Canon via delivery confirmation.

7/29/14 - 4:02 PM

Emailed a copy of leases to Mike and Tim also.

7/31/14 - 8:05 AM

Received a counter offer from Tim saying they would accept a 2 year lease and would prefer to have 1/4 royalty interest with no bonus. They would also like to use their lease form.

8/1/14

Received delivery confirmation that it was delivered.

8/4/14 - 10:42 AM

Responded back to Tim Canon. Requested a copy of their lease form and gave them history of the Tule field and let them know it was primarily a gas field.

8/5/14 - 2:24 PM

Left message about the lease.

8/5/14 - 2:38 PM

Received an email from Tim. He acknowledged that I had tried to call him. He asked questions about what it was going to cost to go into the well. They might consider to be a participant.

8/5/14 - 4:28 PM

Responded to time canon about some of the questions he asked.

8/6/14

Sent an email to Tim and Mike about the lease.

8/7/14

Left a message for Tim and Mike about the lease

8/8/14 - 8:41 AM

Forwarded email to Mike Canon to let him be caught up to speed on what Tim and I had been talking about. Cc Tim Canon on email also.

8/8/14 - 9:18 AM

Mike acknowledged the information that I forwarded to him.

8/12/14 - 6:57 AM

Received an email from Tim letting me know he was out of town for a couple of weeks.

8/12/14

Tim said he would talk to Mike this weekend.

8/13/14 - 4:16 PM

I let Tim Canon know that it was going to cost about \$2,000,000 to re-enter the well. I let him know I was looking for a final AFE to send to them.

8/13/14 - 3:22 PM

He acknowledged the information.

8/15/14

Left a message for Mike and Tim.

8/18/14

Left a message for Mike and Tim.

8/19/14

Sent out separate lease to individuals because I was unable to contact Tim Canon.

8/19/14

Mailed new leases for the Joe Canon Testamentary Trust and one for Michael Canon individually via delivery confirmation.

8/19/14 - 5:06 PM

Emailed copy of leases for the Joe Canon Testamentary Trust and Michael Canon. Let them know that we would be force pooling at some point. Explained to them that I had been playing phone tag with them for several weeks. Also let them know that I had contacted everyone individually. I had talked to Mark Leaverton. Mark was going to send an email to all the others in the Canon family and let them know that he was going to go with it.

8/19/14 - 5:21 PM

Mike responded to email and let me know that they were not wild about the terms of the lease. He stated that they were not interested in being force pooled, and he requested more information. He Cc'd Tim, Chris, and Joe Ed Canon on the email.

8/19/14 - 6:05 PM

Received email delivery confirmation from Mike Canon.

8/20/14 - 8:37 AM



Responded to Tim Canon about some of his answers and let him know some facts about the field.

8/20/14 - 8:47 AM

Let him know that Tim had sent an email about a lease form, but I never had received it. Requested a blank copy of the form for review.

8/20/14 - 9:00 AM

Forwarded a copy of emails to Tim Canon for review.

8/27/14 - 9:24 AM

Sent an email to all of the Canon's that I had email addresses for. Let all of them know what was going on and let them know what the projected cost was for each one of them.

9/3/14 - 8:33 AM

Received a very direct email for Tim Canon with Mike, Joe Ed, and Chris Cc'd on it. Was upset that I had contacted the rest of the Canon's

9/3/14 - 8:42 AM

Let him know that the JOA and AFE were still being prepared. I attached a copy of the APD that was submitted to the BLM. Let him know that as soon as the other paperwork was finished then I would send him a copy of it.

9/3/14 - 10:15 AM

Responded to Tim Canon and all the others listed on the email. Answered some of the questions that he had and requested information from him.

9/5/14

Left a message for Tim and Mike Canon

9/8/14

Received a call from Tim and he stated that they really had no desire to be a participant and that they were just using it as a stall tactic to try to get a better lease and a higher royalty rate from Sovereign.

9/8/14 - 10:20 AM

Received an email from Tim Canon stating that the leases that were send out will be signed and sent back.

9/15/14

Received signed lease back on the Trust and also from Mike Canon.

9/22/14

Called and left a message that a revision was coming via mail and email.

9/22/14 - 9:49 AM

Emailed copy of the lease with the revised lease form.

9/30/14

Left a message for Mike and Tim Canon

10/1/14

Left a message for Mike and Tim Canon

10/8/14 - 1:30 PM

Sent an email to time and asked about the revised lease form that was sent out.

10/8/14 - 1:52 PM

Received an email from Tim stating that he received a copy of the lease and they had spent too much time on this.

10/8/14 - 1:55 PM

Received an email from Mike stating that he agreed with his brother.

10/20/14 - 12:10 PM

Sent an email to Mike asking about the revised signed lease for signature.

11/4/14 - 9:18 AM

Received an email from Mike stating that he would like to rescind the lease that was previously signed because of lack of payment.

11/4/14 - 10:23 AM

Sent him an email stating that the checks were suppose to be sent on 11/3/14 and my daughter was sick. I would follow up on the checks and let him know if they were sent or not.

11/4/14 - 9:25 AM

Mike sent an email that he did not want to continue with the signed lease and that we did not have a deal because of lack of payment.