

OGX Operating, LLC

P.O. Box 2064 • Midland, TX 79702 • (432) 685-1287 • Fax (432) 685-1320 • Fax (432) 686-7109

July 13, 2016

Occidental Permian LP
5 Greenway Plaza, Ste. 110
Houston, Texas 77046

Certified Mail #7011 3500 0000 2040 7392

Attn: Mr. John Schneider

Re: **Red Bluff Lake Prospect**
Well Proposal
Littlefield 33 Fed Com #1H
T-26-S, R-29-E, N.M.P.M.
E/2 Section 33 and E/2 Section 28
Eddy County, New Mexico

Gentlemen:

OGX Operating LLC ("OGX") hereby proposes to drill the above referenced horizontal well with a surface hole location of 330' FSL & 2,130' FEL of Section 33 and a bottom hole location of 330' FNL & 2,310' FEL of Section 28, all located in T-26-S, R-29-E, N.M.P.M., Eddy County, New Mexico. This well will be drilled to approximately 9,522' TVD (kick off point), then turning horizontal with an azimuth of 359.89 degrees for a total horizontal distance of approximately 6,971' to test the Wolfcamp formation. The total measured depth is estimated to be 16,767'. The proration unit for this well will be the E/2 of Section 28 and the E/2 of Section 33, T-26-S, R-29-E, N.M.P.M., Eddy County, New Mexico, containing 464.75 acres of land, more or less.

According to the records of Eddy County, New Mexico, Occidental Permian LP ("OXY") owns a 100.00% leasehold interest in E/2 of said Section 28 lying outside the boundaries of the Red Bluff Reservoir, estimated to be 185.96 acres of land, more or less, being a portion of the lands contained in that certain USA lease NM-038636 dated February 1, 1980. Your interest in this well would be 185.96/464.75 or 40.013%.

Enclosed for your review is an AFE (in duplicate) showing the estimated drilling and completion costs for the subject well, as well as a plat showing the proposed location and well unit.

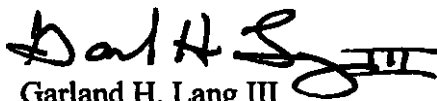
OGX invites the participation of OXY in this well. If OXY wishes to participate in the drilling of this well, please execute both copies of the AFE, after which return one copy to the undersigned. Upon receipt of the AFE, OGX will mail you an Operating Agreement for your execution, which will name OGX as the Operator.

EXHIBIT 2

In the event OXY does not wish to participate, OGX hereby offers OXY \$2,500.00 per acre for a two (2) year term assignment covering the 185.96 acre tract, with OXY delivering a 75% net revenue. The total consideration for the term assignment would equal \$464,900.00. If you have any questions, please contact the undersigned.

Sincerely,

OGX Resources LLC

A handwritten signature in black ink, appearing to read "Garland H. Lang III". The signature is stylized with a large "G" and "L".

Garland H. Lang III
Land Manager

Enclosures

7011 3500 0000 2040 7392

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
 (Domestic Mail Only: No Insurance Coverage Provided)

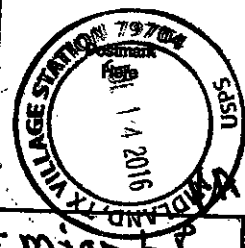
For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	136
Certified Fee	330
Return Receipt Fee (Endorsement Required)	270
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.36

SENT TO
 Occidental Permian LP
 Street, Apt. No.,
 or PO Box No. 5 Greenway Plaza #110
 City, State, ZIP+4 Houston, TX 77046

PS Form 3800, August 2006 See Reverse for Instructions



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ 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. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <input type="checkbox"/> Date of Delivery</p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p>Occidental Permian LP 5 Greenway Plaza, Ste. 110 Houston, Texas 77046</p> <p>Attn: Mr. John Schneider</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p>7011 3500 0000 2040 7392</p>