

Letter of Testamentary

The State of Texas

County of Lubbock

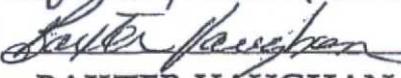


In County Court,
Lubbock County Texas
OCTOBER Term A.D.

2015

I, KELLY PINION, Clerk of the County Court of Lubbock County, Texas, do hereby certify that on the 8TH DAY OF OCTOBER, 2015, RODERICK ALLAN MARKHAM AND MANON MARKHAM MCMULLEN were duly granted by said Court Letters Testamentary of the Estate of JACK MARKHAM, deceased, and that THEY qualified as INDEPENDENT CO-EXECUTORS of estate on the 8TH DAY OF OCTOBER, 2015 as the law requires, and that said appointment is still in full force and effect.

Given under my hand and seal of office at Lubbock, Texas
the 8TH DAY OF OCTOBER, 2015

KELLY PINION, Clerk,
County Court, Lubbock County, Texas
By  Deputy
BAXTER VAUGHAN

ROD MARKHAM
1500 BROADWAY, SUITE 1212
LUBBOCK, TX 79401
806-763-5326 - PHONE * 806-763-8017 – FAX
RAMARK@SWBELL.NET

Mr. Daniel Sanchez
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Change of Operator from Jack Markham to JR Cone Operating, LLC
Jack Markham "State 36" Wells
E/2SE/4 Section 36-21S-36E
Lea County, New Mexico

Dear Mr. Sanchez:

In Rod Markham's absence, he asked me to forward to you, as you requested, ballots from the Working Interest owners of the above referenced properties. These ballots prove a majority of the owners approve of the change of operator as shown below:

Canyon Properties, LLC	.300000
Herd Partners, Ltd.	.100000
BBL Osborn Production, LLC	.100000
Sundown Energy, LP	<u>.100000</u>
Total Working Interest Owners submitting "Approved" ballots	.600000

I have not received all the ballots from the owners. He asked me to forward the ballots to you once I had received a majority.

Also, included for your convenience:

- The list of Working Interest Owners with their percentage ownership.
- Rod Markham's transmittal letter to you including the documentation previously requested:
 - Keith Herrmann's email
 - Death Certificate of Jack Markham
 - Letters Testamentary for the Jack Markham Estate

Should you need additional information, please let me know. It would also be greatly appreciated if you would confirm receipt of this communication via email to llwmog@swbell.net. You will also receive a mailed copy.

Thank you,


Lowry Lewis

For Rod Markham

Enclosures as listed above

06

BALLOT
Change of Operator

Operating Agreement Dated January 1, 1975
Jack Markham Operator - State 36 #1 and #2 Wells - Drinkard and Blinbry Formations
E/2SE/4 Section 36-21S-36E (80.00 acres) Lea County, New Mexico

By checking "**Approve**" and signing this BALLOT below, I agree that **JR CONE OPERATING, LLC** has my approval as successor Operator to Jack Markham of the State 36 wells. Furthermore, **JR CONE OPERATING, LLC** will not be rejected as Operator solely because it has no interest in the wells. However, in accordance with Operating Agreement Article V.B.1. (Removal of Operator) the Non-Operators will continue to have the right, without cause, to remove **JR CONE OPERATING, LLC** by electing a successor Operator. Effective Date of Change of Operator, if approved, is yet to be determined.

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Jan Carol Bowerman
Typed Name and Title of Signer: Jan Carol Bowerman, Owner

Approve: _____ Signature Rod Markham Date: 11/13/15
Disapprove: _____ Working Interest Owner: Canyon Properties, LLC
Typed Name and Title of Signer: Rod Markham, Manager

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Hubert E. Cone Estate Trust
Typed Name and Title of Signer: Dr. J. Robert Cone, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: James Raymond Cone, Jr.
Typed Name and Title of Signer: James Raymond Cone, Jr., Owner

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Marie B. Cone Estate
Typed Name and Title of Signer: Jesse Cone, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Herd Partners, Ltd.
Typed Name and Title of Signer: Tevis Herd, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: BBL Osborn Production, LLC
Typed Name and Title of Signer: Mary Lynn Bolger, MP

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Authorized Signer: PGP Holdings 1, LLC
Typed Name and Title of Signer: _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Authorized Signer: Sundown Energy, LP
Typed Name and Title of Signer: _____

BALLOT
Change of Operator

Operating Agreement Dated January 1, 1975
Jack Markham Operator - State 36 #1 and #2 Wells - Drinkard and Blinebry Formations
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Disapprove: _____ Working Interest Owner: Jan Carol Bowerman
Typed Name and Title of Signer: Jan Carol Bowerman, Owner

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Canyon Properties, LLC
Typed Name and Title of Signer: Rod Markham, Manager

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Hubert E. Cone Estate Trust
Typed Name and Title of Signer: Dr. J. Robert Cone, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: James Raymond Cone, Jr.
Typed Name and Title of Signer: James Raymond Cone, Jr., Owner

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Marie B. Cone Estate
Typed Name and Title of Signer: Jesse Cone, _____

Approve: _____ Signature Tevis Herd Date: Nov. 30, 2015
Disapprove: _____ Working Interest Owner: Herd Partners, Ltd.
Typed Name and Title of Signer: Tevis Herd, Tevis Herd, President of Herd Westex, LLC,
General Partner of Herd Partners, Ltd.

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: BBL Osborn Production, LLC
Typed Name and Title of Signer: Mary Lynn Bolger, MP

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Authorized Signer: PGP Holdings 1, LLC
Typed Name and Title of Signer: _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Authorized Signer: Sundown Energy, LP
Typed Name and Title of Signer: _____

BALLOT
Change of Operator

DEC 07 2015

Operating Agreement Dated January 1, 1975
Jack Markham Operator - State 36 #1 and #2 Wells - Drinkard and Blinebry Formations
E/2SE/4 Section 36-21S-36E (80.00 acres) Lea County, New Mexico

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Disapprove: _____ Working Interest Owner: Canyon Properties, LLC
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Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Hubert E. Cone Estate Trust
Typed Name and Title of Signer: Dr. J. Robert Cone, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: James Raymond Cone, Jr.
Typed Name and Title of Signer: James Raymond Cone, Jr., Owner

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Marie B. Cone Estate
Typed Name and Title of Signer: Jesse Cone, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Herd Partners, Ltd.
Typed Name and Title of Signer: Tevis Herd, _____

Approve: Signature Mary Lynn Bolger, MP Date: Dec. 3, 2015
Disapprove: _____ Working Interest Owner: BBL Osborn Production, LLC
Typed Name and Title of Signer: Mary Lynn Bolger, Managing Partner

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Authorized Signer: PGP Holdings 1, LLC
Typed Name and Title of Signer: _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Authorized Signer: Sundown Energy, LP
Typed Name and Title of Signer: _____

DEC 04 2015

BALLOT
Change of Operator

Operating Agreement Dated January 1, 1975
Jack Markham Operator - State 36 #1 and #2 Wells - Drinkard and Blinebry Formations
E/2SE/4 Section 36-21S-36E (80.00 acres) Lea County, New Mexico

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Typed Name and Title of Signer: Jan Carol Bowerman, Owner

Approve: _____ Signature _____ Date: _____
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Disapprove: _____ Working Interest Owner: James Raymond Cone, Jr.
Typed Name and Title of Signer: James Raymond Cone, Jr., Owner

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Marie B. Cone Estate
Typed Name and Title of Signer: Jesse Cone, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: Herd Partners, Ltd.
Typed Name and Title of Signer: Tevis Herd, _____

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Working Interest Owner: BBL Osborn Production, LLC
Typed Name and Title of Signer: Mary Lynn Bolger, MP

Approve: _____ Signature _____ Date: _____
Disapprove: _____ Authorized Signer: PGP Holdings 1, LLC
Typed Name and Title of Signer _____

Approve: Signature  Date: 11/30/2015
Disapprove: _____ Authorized Signer: Sundown Energy, LP
Typed Name and Title of Signer: Steve Flynn, Joint Operations Engineer

<u>State 36 Working Interest Owners (11/11/15)</u>	<u>Decimal Interest</u>
Jan Carol Bowerman 1425 Country Club Road Arlington, TX 76013	.087500
Canyon Properties, LLC 1500 Broadway, Suite 1212 Lubbock, TX 79401 (Successor to Jack Markham's Working Interest)	.300000
Hubert E. Cone Estate Trust c/o Dr. J. Robert Cone, Co Ind. Executor 3601 Aransas Corpus Christi, TX 78411	.062500
James Raymond Cone, Jr. PO Box 10217 Lubbock, TX 79408	.087500
Marie B. Cone Estate c/o Jesse Cone, Co Ind. Executor 113 Eagle Drive Alamogordo, NM 88310	.062500
Herd Partners, Ltd. PO Box 130 Midland, TX 79702	.100000
BBL Osborn Production, LLC Mary Lynn Bolger, MP 6506 E. Mountain View Road Scottsdale, AZ 85253	.100000
PGP Holdings 1, LLC 104 Townpark Drive Kennesaw, GA 30144	.100000
Sundown Energy, LP Attention: Kyle Paxton Knoll Trail Plaza, Suite 100 16400 Dallas Parkway Dallas, TX 75248	.100000
Total Working Interest	<hr/> <u>1.000000</u>