

April 26, 2017

TO THE CAPLA AND CAPL MEMBERSHIP

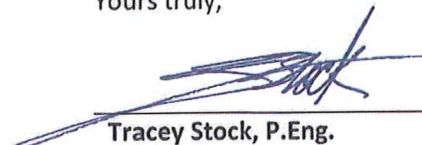
RE: LETTER OF SUPPORT FOR THE ABANDONED WELL OBLIGATIONS 'BEST PRACTICES'

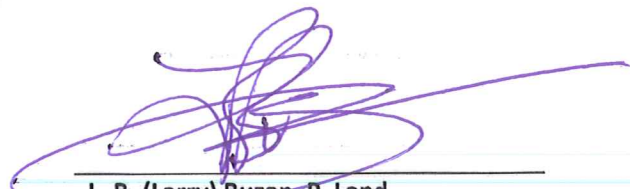
We hereby advise our membership that the current board of directors of both CAPLA and CAPL support the Abandoned Well Obligations Committee's (the "Committee") 'Best Practices' and strongly encourage its adoption when formally released in 2017 as the new industry standard for the administration of abandoned well obligations.

The Committee was formed after a team of experienced land and legal professionals met for extensive discussions about the contractual obligations of joint operators up to and potentially beyond the point of reclamation of a joint well. The 'Best Practices' established by the Committee offers industry an efficient and consistent set of guidelines that can be followed for maintaining the division of interest during day-to-day administration (including after mineral leases have expired) and acquisition and divestiture activity, as well as providing guidance for rectifying situations where the division of interest has not been maintained historically.

The benefit to industry will be fewer rejections or disputes over joint billings throughout the entire life cycle of joint wells as well as the assurance that abandonment and reclamation liabilities and expenses will be shared equitably and fairly by all joint operators.

Yours truly,

  
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**Tracey Stock, P.Eng.**  
President, CAPLA

  
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**L. B. (Larry) Buzan, P. Land**  
President, CAPL

cc: SEPAC Executive Director  
Rob Dutton, CAPP President  
Dawn McElligott, CAPP Board Chair  
Cody Austin, PASC, President