



Mike Matison
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August 14, 2024

Encore Permian Holdings, LP
203 W Wall St, Ste 1100
Midland, TX 79701
Attn: Land Department

Sent via FedEx
Standard Overnight

RE: Notification of Lease Termination

University Lands Lease Number: **15273**
Block 9, N2 & SW of Section 36, All Depths
Reagan County, TX

To Whom It May Concern,

University Lands' ("UL") records indicate that that certain OIL AND GAS LEASE designated as University Lands #8560, (the "*Permit Lease*"), that was renewed for a ten (10) year term effective May 20, 2014, and recorded in the Reagan County Public Records, Volume 204, Page 786, by Apache Permian Exploration and Production, LLC was not renewed before May 20, 2024, and, therefore, expired under its own terms effective May 20, 2024.

UL records indicate that that certain OIL AND GAS LEASE designated as University Lands #15273, (the "*Subject Lease*") was split from the Permit Lease as an assignment effective October 30, 1929, and recorded in the Reagan County Public Records, Volume 14, Page 434 but kept under the Permit Lease agreement. Therefore, the Subject Lease expired under its own terms effective May 20, 2024.

Termination of the Subject Lease does not relieve the Encore Permian Holdings, LP, or any of its successors and assigns, including any contract Operator, of the obligation to pay any rentals, royalties, or other financial obligations which have accrued, including but not limited to plugging and abandonment and reclamation obligations. All remaining oil inventory must be sold, and royalties paid to University Lands within ninety (90) days of this letter. Once inventory is sold and stock is cleared from the monthly production reports, it is the Operator's responsibility to notify University Lands (SSawyer@utsystem.edu) to remove any further production reporting requirements. Operator and any other successors to the interest of the Lessee described in the Subject Lease are required to file a *Release of Oil and Gas Lease* within thirty (30) days of receipt

of this notice in the appropriate public records of Reagan County and provide a copy of the recorded *Release of Oil and Gas Lease* to University Lands. The appropriate *Release of Oil & Gas Lease* form is attached for your convenience.

Encore Permian Holdings, LP, and any other successors to the interest in the Subject Lease, are responsible for plugging and abandoning all well(s), and for restoring the surface of the Subject Lease in accordance with the Subject Lease, the Board for Lease Rules¹ and all applicable state and federal codes, rules, laws, regulations, and procedures.

Thank you for your prompt attention to this matter.

Sincerely,


Michael Matison
Sr. Staff Landman

MM/lb

CC: Becky Martin, Daniel Gonzales, Dave Williamson, Greg Lundgren, Jeff White, Justin McGill, Lisa Belue, Matt Yates, Michael Taylor, Nick Alejandro, Ryan Kennedy, Samantha Sawyer, Sonya Barguiarena, Steven Brite, OGRegulatory@utsystem.edu

¹ Article 2.23, Board for Lease of University Lands, Rules and Regulations ("Each oil and gas Lease issued by the Board shall be subject to, and performance of Lessee's obligations under the Lease shall be in conformance with, rules as adopted from time to time by the Board and Board of Regents.").

THE STATE OF TEXAS §
 §
COUNTY OF REAGAN §

RELEASE OF OIL AND GAS LEASE #15273

THIS *RELEASE OF OIL AND GAS LEASE #8560* is effective for all purposes as of May 19, 2024 (the “**Effective Date**”).

The undersigned (whether one or more, “**Releasors**”) is the owner of an interest granted under the Oil and Gas Lease(s) more particularly described on the attached Exhibit “A” (whether one or more, the “**Leases**”), by and between the State of Texas, acting through the Board for Lease of University Lands (“**Lessor**”) and the respective Lessee(s) described therein.

In accordance with the provisions of the Leases and *Texas Education Code* Section 66.76, as of the Effective Date, Releasors hereby RELEASE, RELINQUISH AND SURRENDER to Lessor, its heirs, representatives, successors and assigns, ALL RIGHT, TITLE AND INTEREST in and to the Leases, insofar and only insofar as the Leases are owned by the Releasors and cover the lands and depths described on Exhibit “A”.

This instrument is executed by the undersigned, a duly authorized representative of Releasor, as of the date of acknowledgement below, effective for all purposes as of the Effective Date.

Releasor:

Encore

Signature: _____

Printed Name: _____

Title: _____

ACKNOWLEDGEMENT(S)

THE STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 202____,
(Month) (Day) (Year)

by _____, as _____
(Signatory Party) (Title)

of _____, a(n) _____
(Entity Name) (State of Registry)

_____, on behalf of said _____.
(Entity Type) (Entity Type)

Notary Public Signature

This instrument is executed by the undersigned, a duly authorized representative of Releasor, as of the date of acknowledgement below, effective for all purposes as of the Effective Date.

Releasor:

Encore

Signature: _____

Printed Name: _____

Title: _____

ACKNOWLEDGEMENT(S)

THE STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 202____,
(Month) (Day) (Year)

by _____, as _____
(Signatory Party) (Title)

of _____, a(n) _____
(Entity Name) (State of Registry)

_____, on behalf of said _____.
(Entity Type) (Entity Type)

Notary Public Signature

EXHIBIT "A"

Attached to and made a part of that certain *Release of Oil and Gas Lease #15723*

UL Agreement #:	15273
Agreement Title:	<i>OIL AND GAS LEASE #8561 - ?</i>
Lessee:	Apache Corporation
Agreement Date:	May 19, 1924
Record Type:	Official Public Records
Volume:	204
Page:	786
State:	TX
County:	Reagan
Acres:	489.375
Block:	9
Legal Description - Section:	N2, SW - 36
Depth(s):	All

END OF EXHIBIT "A"