



EP Energy E&P Company, L.P.  
601 Travis Street, Suite 1400  
Houston, Texas 77002

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April 16, 2020

Dear Lessor:

EP Energy sends this letter to keep you informed and up to date about current circumstances with respect to your lease.

As you are aware, the pandemic caused by the novel coronavirus known as COVID-19 has severely disrupted economies around Texas, the United States and indeed around the world. The result of those disruptions is a historic drop in daily demand for oil, a worldwide glut in oil supply, and rapidly filling oil storage. For these reasons, buyers of oil produced from the Eagle Ford basin are curtailing (and in some cases canceling) their purchases for at least the remainder of April and through May. Although EP remains optimistic about the prospect for purchases to increase in the summer months, as a result of these events outside of its control, EP Energy must curtail or stop production for the time being until the current unprecedented situation changes and the market for oil recovers.

In addition, the COVID-19 global pandemic (and the myriad issues, disruptions, and governmental acts and orders associated with and resulting from COVID-19) has delayed, interrupted, and/or made impossible EP Energy's normal business operations. Shelter-in-place orders in Harris County (where EP Energy's headquarters are located) and Dilley (where EP Energy's Eagle Ford field office is located) are also causing operational constraints. These unforeseeable circumstances, all of which were and are beyond EP Energy's control, trigger the applicable lease force majeure provisions and protections. To the extent necessary, please be advised that this communication thus serves as EP Energy's force majeure notice under the applicable provisions of EP Energy's lease with you.

Finally, EP Energy wants to be clear that this curtailment is not related to its Chapter 11 bankruptcy case. Moreover, regardless of this curtailment, EP Energy has sufficient liquidity to meet its ongoing obligations because EP Energy's cash flows are protected, and EP Energy has continued access to its line of credit pursuant to an Order by the United States Bankruptcy Court for the Southern District of Texas.

This is an extremely dynamic situation, and therefore EP Energy cannot say with certainty when Eagle Ford production from your lease will stop being impacted by this situation. EP Energy will continue to monitor this situation as it evolves. EP Energy appreciates your patience and understanding during these unprecedented times. In the meantime, if you have questions, please feel free to reach out to EP Energy's Owner Relations group at [ownerrelations@epenergy.com](mailto:ownerrelations@epenergy.com) or 713-997-1200.

Sincerely yours,

A handwritten signature in black ink that reads "Peter D. Addison".

Peter D. Addison  
Vice President of Land & Land Admin.