

BANKO
PETROLEUM
MANAGEMENT INC.

VIA FEDERAL EXPRESS – STANDARD OVERNIGHT

Mr. Jeff Madison
Rio Blanco County
317 E. Market Street
Meeker, CO 81641

September 7, 2010

RE: Intent to Drill
Puckett Land Company
RG Federal 2G-34D
SHL: 232' FSL 1,236' FEL (SE/4 SE/4)
BHL: ±1,003' FSL ±952' FEL (SE/4 SE/4) within 50' radius
Sec. 34 T1S R98W
Rio Blanco County, Colorado
Federal Lease: COC64831

Dear Mr. Madison:

Enclosed please find a courtesy copy of the Application for Permit to Drill (APD) for the above captioned well, filed on behalf of Puckett Land Company (Puckett). Originals were submitted to the Bureau of Land Management (BLM) in Meeker and the Colorado Oil and Gas Conservation Commission (COGCC). This courtesy copy of the APD is in order to comply with COGCC rules.

This filing contains the following attachments: drilling program, Onshore Order No. 2 (OSO #2) casing calculations, 5M BOP diagram, directional survey data, Surface Use Plan of Operations (SUPO), operator certification, wells within a one-mile radius, survey plat, location layout, location layout with contours, cut & fill sheet, BMP Diagram, Stormwater details, reclamation layout, reference area and topo map, area map, and access road map.

Send all future correspondence to:

Puckett Land Company
ATTN: Mr. Chuck Whiteman
5460 S. Quebec Street, Suite 250
Greenwood Village, CO 80111
Phone: 303-763-1000
Fax: 303-763-1040

with a copy to the undersigned.

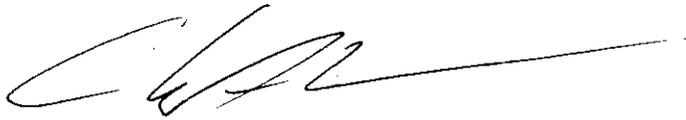
The wellsite was staked at 232' FSL 1,236' FEL (SE/4 SE/4) of Sec. 34 T1S R98W on May 27, 2010 by SGM Inc. (SGM), surveyor, on behalf of Puckett, on a site that is geologically and topographically acceptable. The bottomhole location is ±1,003' FSL ±952' FEL (SE/4 SE/4) within 50' radius of Sec. 34 T1S R98W.

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A Notice of Staking (NOS) was submitted for the RG Federal 4D-34D to BLM in Meeker on July 16, 2010, for this location. An onsite meeting was held on August 18, 2010. Attending were: Brett Smithers – BLM; Dave Kubeczko – COGCC; Ed Winters – Colorado Division of Wildlife (CDOW); Vern Rholl – Independent Consultant; Barry Giles – SGM Inc.; David Banko – Banko Petroleum Management, Inc.; and Karen LeBaron – Puckett. The well number has changed and the APD is being filed under the RG Federal 2G-34D.

Please send a copy of all correspondence to Banko Petroleum Management, Inc. at 385 Inverness Parkway, Suite 420, Englewood, CO 80112-5849. Please contact David Banko or myself at 303-820-4480 or at david@banko1.com or bob@banko1.com, respectively, if you have any questions. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'C. Noonan', with a long horizontal line extending to the right.

Christopher Noonan
Permit Agent for Puckett Land Company

CAN:can

Enclosures

cc: Colorado Oil and Gas Conservation Commission
Puckett Land Company