



June 28, 2010

Marguerite Conrad Estate
Joseph R. Conrad - PR
Christopher Q. Conrad - PR
P. O. Box 374
Wray, CO 80758

VIA CERTIFIED MAIL
ARTICLE NO 7005 3110 0003 1597 9887

RE: NOTICE OF THE INTENT TO DRILL
Conrad 24-05 3N45W SESW/4
Yuma County, Colorado

Dear Messrs. Conrad,

This letter is to advise you, as Surface Owner it is our intent to commence drilling operations for a natural gas well in the above referenced location. If you have a tenant leasing this location, please notify them of this operation. Should you and/or your tenant desire to be present during the staking process, please contact Loni Davis at the Wray office @ 970-332-3585. If you are not the Surface Owner of the Southeast of the Southwest quarter of Section 5, Township 3 North, Range 45 West, we ask that you please notify this office immediately so that the proper land owner may be notified.

We hope to commence drilling operations during the 3rd quarter of 2010. We will contact you prior to moving onto location as we learn the approval date of the APD, rig availability and title approval.

Colorado State rules require a thirty-(30) day notice to landowners prior to commencement of drilling operations. COGCC Rule 305 gives you the right to request an onsite inspection by a Local Government Designee and must be received by the COGCC within 10 business days of the first day of the Rule 306 Consultation. Mr. Gary Timmer will contact you for a surface owner consultation per COGCC Rule 306. Augustus Energy Partners, LLC is requesting a waiver from you to disallow this time restriction on both the 30 days notice and the onsite inspection. Should you agree to waive these, please sign, date and return this document to the above referenced address. For your convenience, a self addressed, stamped envelope is enclosed.

Please find attached a drawing of the proposed location to include placement of pipelines and facilities. We are also requesting a waiver of COGCC rule 305e(1)A which requires us to forward to you the Form 2A, the major equipment list, A plat showing visible improvements within 400' of location and the topo map showing surface waters and riparian areas within 1000' of location. Once we are notified by the COGCC that the Form 2A is complete we will notify you of the Location Assessment # so you may review the document and all attachments on the COGCC website and post any comments to the Director at <http://cogcc.state.co.us/>.

If you have any questions regarding this information, please do not hesitate to contact me. Enclosed is a pamphlet from the Colorado Oil and Gas Conservation Commission that explains many of the rules and regulations that apply to operators regarding surface owners and tenants and the Onsite Inspection request form. Your time and assistance regarding this matter is greatly appreciated.

Very truly yours,

Augustus Energy Partners, LLC

Loni J. Davis
Loni J. Davis

Operations Accounting and Regulatory Specialist

I, _____, as Surface Owner of the above referenced property,
do hereby waive the thirty (30) day rule for notification prior to commencement of drilling operation.
_____ Yes _____ No.

Do hereby waive the Onsite inspection _____ Yes, _____ No.

Do hereby waive the receipt of documents under COGCC rule 305e(1)A. _____ Yes, _____ No.

_____ I do, _____ I do not wish to receive the Location Assessment # for review.

By signing below, I acknowledge that upon receipt of this letter Augustus Energy Partners, LLC may
proceed with drilling at their discretion.

Surface Owner

Date

cc: COGCC
AEP Well File

7005 3110 0003 1597 9887

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 1.22	0349
Certified Fee	\$2.80	03
Return Receipt Fee (Endorsement Required)	\$2.30	Postmark Here
Restricted Delivery Fee (Endorsement Required)	\$0.00	
Total Postage & Fees	\$ 6.32	06/28/2010

Sent To
 Conrad
 Street, Apt. No.,
 or PO Box No. POB 374
 City, State, ZIP+4
 Wray, CO 80758

PS Form 3800, June 2002 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Marguerite Conrad Estate
 Joseph R. Conrad - PR
 Christopher Q. Conrad - PR
 P.O. Box 374
 Wray, CO 80758

2. 7005 3110 0003 1597 9887

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
 X *Marguerite Conrad* ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery
 7/2/10

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540