

**VAL ENERGY, INC.
200 WEST DOUGLAS #520
WICHITA, KS 67202
316-263-6688**

September 8, 2010

Priority Mail-Delivery Confirmation
MKW Subtrust Dated 11-5-1992,
For the Benefit of Geraldine Dunlap
c/o Charla R. Dunlap, Trustee
22129 US Highway 287
Eads, CO 81036

Re: Notification of Drilling Operations:
Dunlap # 1 Well
Township 17 South, Range 48 West of the 6th P.M.
Section 9: SE1/4NE1/4
Kiowa County, Colorado

Dear Ms. Dunlap:

In accordance with Rule 305 of the Colorado Oil and Gas Conservation Commission ("COGCC"), this letter serves as a 30-day notice by Val Energy, Inc. (Val) of its intention to drill one well from the above captioned location. Val's operations are estimated to begin within the next thirty 30 days pending receipt of required permits, approval of title and drilling rig availability. COGCC regulations provide that the surface owner may waive the 30-day notice requirement.

In accordance with Rule 306 of the Colorado Oil and Gas Conservation Commission ("COGCC") requires written notice from the surface owner to request or waive a consultation meeting with Val concerning the location of the above referenced well and all associated equipment.

Enclosed is a waiver and request for consultation form. Please read and fill the form out stating your decision on the thirty (30) day notice and consultation meeting as required by Rule 305 & 306 of the Colorado Oil and Gas Conservation Commission ("COGCC"). Return the fully executed form in the envelope provided.

Enclosed is a Surface Owners information Brochure from the COGCC.

As the surface owner, it is your responsibility to notify any affected tenant farmer, lessee or other party that may own or have an interest in any crops or surface improvements that could be affected by these proposed operations.

If you have any questions please don't hesitate to call me at 303-906-3335 (cell).

Sincerely

Val Energy, Inc.



Jack M. Fincham
Agent

WAIVER AND REQUEST FOR CONSULTATION FORM

MKW Subtrust
Dated 11-5-1992 for the
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22129 US Highway 287
Eads, CO 81036

Well Pad Dunlap # 1 Well
Township 17 South, Range 48 West of the 6th P.M.
Section 9: SE1/4NE1/4
Kiowa County, Colorado

Thirty-Day Notice Waiver

The undersigned waive / do not waive (circle one) the 30 day notice period for drilling operations on the above captioned location.

Request for Consultation Meeting

The undersigned request / do not request (circle one) a consultation meeting.

Preferred date, time and location of meeting _____

Telephone Number _____

_____ Date _____

Print name: _____

Designated Representative (Agent)

The undersigned names the below designated representative for surface consultation with respect to operations for drilling from the above captioned location.

Name: Charla R. Dunlap

Address: 22129 US Highway 287, Eads, CO 81036

Telephone Number: 719-688-3783

Surface Owner(s):

MKW Subtrust Dated 11-5-1992 for the
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BY: Charla R. Dunlap
Charla R. Dunlap, Trustee

Date 9/30/10