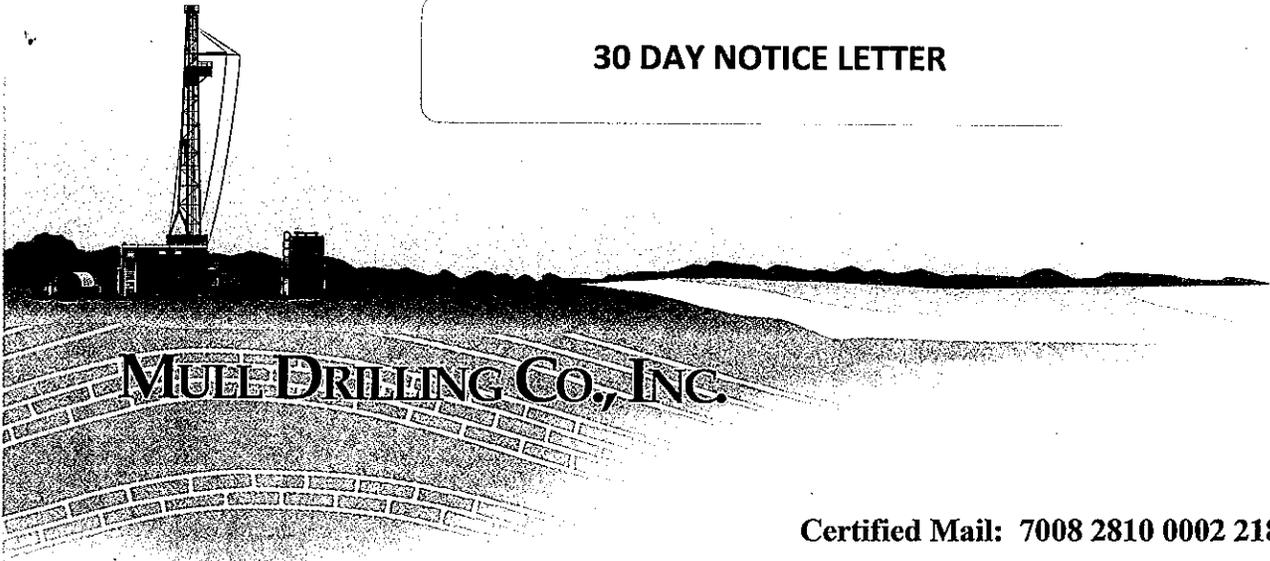


30 DAY NOTICE LETTER



MULL DRILLING CO., INC.

Certified Mail: 7008 2810 0002 2187 3975

January 3, 2011

Burl M. and Cathy Scherler
21899 County Road 59
Sheridan Lake CO 81071

RE: APC-Scherler #1-15
Township 17 South, Range 45 West of the 6th P.M.
Section 15: NE/4 (Approx Footages: 1855' FNL & 1425' FEL)
Kiowa County, Colorado

Dear Mr. and Mrs. Scherler:

Mull Drilling Company, Inc. ("MDC") plans to drill the above referenced well on your land in Kiowa County, Colorado approximately March 2011.

The first step in this process is for a surveyor to go out to your land and drive a wooden stake into the ground at the proposed drillsite. We plan to have this done within the next several weeks. One of our field personnel will give you, or your designated representative, a call to let you know when the surveyor will be on location so that you may be present for this operation. After we "stake" the drillsite, we will begin the permitting process in Colorado which involves several forms, maps and plats that we file with the Colorado Oil & Gas Conservation Commission ("COGCC").

We are aware of your home and private airstrip in the proximity of this drillsite. Our field personnel will meet and coordinate with you to ensure that none of our access roads interfere with the existing improvements on your property.

Included with this letter is a brochure prepared by the COGCC entitled, "Oil and Gas Well Notification, Consultation, and Reclamation Rules: Information for Oil and Gas Operators, Surface Owners and Surface Tenants." Also included is a form for you to fill out and send back to MDC in the enclosed postage-paid envelope. Please provide the following information on the form:

1. Circle either **waives** or **does not waive** on the **Thirty-Day Notice Waiver** section. This letter satisfies the COGCC requirement (Rule 305) to provide 30-day notice before drilling.

APC-Scherler #1-15
Township 17 South, Range 45 West of the 6th P.M.
Section 15: NE/4
Kiowa County, Colorado
Page 2

If you circle **does not waive**, then in addition to this letter, we will also send you copies of the COGCC Form 2A, a list of major equipment components, well location plat & topographic map, ingress map as they become available. We will also send you notice of any subsequent well operations that will materially impact surfaces beyond existing road or well sites and notice of final reclamation of the drillsite.

If you circle **waives**, then we will not send you a copy of the COGCC and surveyor forms or provide the additional well operations & final reclamation notices. We will still contact you, or your designated representative, prior to moving any machinery onto your land in preparation to drill this well.

2. Circle either **requests** or **does not request** on the Request for Consultation Meeting section. A good time to have a consultation meeting is when we have surveyors out on your land to stake the well. If this is your choice, please check the space next to "Hold Consultation Meeting when the well is staked." If you would prefer to meet a different time and location, please indicate your preferred date, time and location.

3. Please fill out the Designated Representative (Agent/Tenant) with the name and contact information of the person you would like to designate to meet with an MDC employee for the above consultation and who we should contact prior to the start of drilling operations. This can be a tenant, an agent or yourself.

4. Please print your name, telephone number, sign and date in the appropriate blanks under the Surface Owner section.

The MDC field employees which you will likely be in contact with are the following:

Bill Stutz, CO Production Foreman	Cell Phone: (719) 343-5182
Carl Smalley, Environmental Manager	Cell Phone: (719) 342-1812
Tracy Akers, CO Production Supervisor	Cell Phone: (719) 342-1813

If you have any questions about this letter or the enclosed form, please give my assistant, Tannis Tritt (800-658-1632, Ext. 122), our Land Manager, Ava Ross (Ext. 121) or me (Ext. 113) a call.

Sincerely,



Mark Shreve
President/COO

MAS:tt

Enclosures

cc: Ava Ross, Bill Stutz, Carl Smalley

**MULL DRILLING COMPANY, INC.
WAIVER AND REQUEST FOR CONSULTATION FORM**

January 3, 2011

Burl M. and Cathy Scherler
21899 County Road 59
Sheridan Lake CO 81071

RE: APC-Scherler #1-15
Township 17 South, Range 45 West of the 6th P.M.
Section 15: N/2
Kiowa County, Colorado

Thirty-Day Notice Waiver

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

Request for Consultation Meeting

The undersigned **requests / does not request** (circle one) a consultation meeting.

_____ Hold consultation meeting when well is staked.

_____ Preferred date, time and location of meeting: _____ @ _____ a.m./p.m. at

Designated Representative (Agent/Tenant):

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

Name: _____

Address: _____

Telephone Number: _____

Surface Owner:

Signed: _____

Date: _____

Print Name: _____

Telephone Number: _____