AXIA
ENERGY

March 7, 2012

James Simpson
40756 State Hwy #13
Craig, CO 81625

Re: Notice of Intent to Conduct Surface Operations
    Bulldog #5-31H-790
    NW/NE Section 5, T7N/R90W
    Moffat County, Colorado

Dear Mr. Simpson:

The Colorado Oil and Gas Conservation Commission (COGCC) has specific guidelines and procedures regarding surface activities. These rules stipulate an operator must give an affected surface owner notice in writing at least thirty (30 days) prior to drilling an oil and gas well.

It is Axia Energy's intention to begin operations to drill an oil and gas well on the lands described above. Operator may drill the well thirty (30) days from this date or sooner if your approvals to waive the thirty day notice requirement is given below. It is your responsibility to notify the tenant farmer, if applicable, of this proposed operation.

Enclosed please find the following information:

* A brochure describing surface owner rights and responsibility
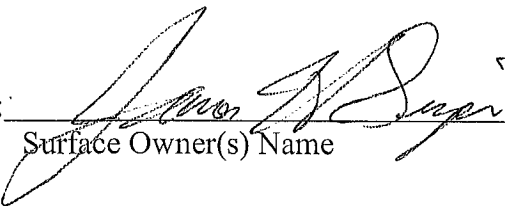* Survey plats showing planned pad location and access

We are requesting that you sign the waiver below. However, if you require a formal consultation, please contact me as soon as possible at the number below to schedule a surface consultation as I would be happy to discuss any concerns you may have. You also have the right to request or waive an onsite inspection by the COGCC.

If you have any questions concerning Axia Energy's plans, please contact me anytime, regardless of waiver, at (720) 746-5212. If you agree to the waivers below, please sign and return in the addressed envelope enclosed.
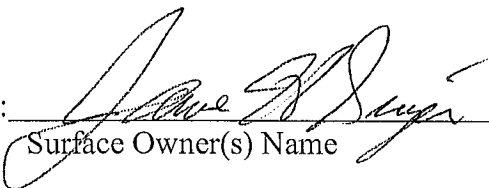
Sincerely,

Jess Peonio
Senior Drilling Engineer/Regulatory Manager

1430 Larimer St., Suite 400 • Denver, CO 80202 USA
Phone (720) 746-5200 • Fax (720) 746-5201

I/We hereby waive the notice requirement and hereby authorize Axia Energy to begin operations upon receipt of the drilling permits from the Colorado Oil and Gas Conservation Commission.

By:_____   Date:___3/13/12___
    Surface Owner(s) Name

I/We hereby waive the COGCC & Colorado Division of Wildlife onsite and consultation for wells or pads located on my surface.

By:_____   Date:___3/13/12___
    Surface Owner(s) Name