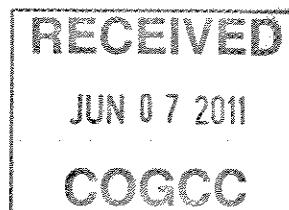


**MATRIX ENERGY, LLC**

P.O. Box 271309  
Ft. Collins, CO 80527  
Phone: 970-282-1211  
Fax: 970-282-1233



June 1, 2011

RE: Notice of 318A.e Well Proposal  
Codell/Niobrara – (New) Well  
Well Name: Kuettel 14-10-24  
Section 14, T5N, R65W  
Weld County, Colorado

Dear Mr. Blandford:

Matrix Energy, LLC ("Matrix") intends to propose, drill and operate the referenced well pursuant to paragraph 6 of Rule 318A.e., Order 1R-100 of the Colorado Oil and Gas Conservation Commission ("COGCC").

Additional information for this well:

1. Wellbore Spacing Unit  
The wellbore spacing unit will be comprised of the S½SW¼ of Section 10 and the N½NW¼ of Section 15 in T5N, R65W as depicted on the enclosed plat. The working interest attributable to the Codell/Niobrara formations in the contributing 40 acre quarter-quarter section will be utilized to determine the interest of the parties in the proposed 160 acres spacing unit for this well
2. Target Formations  
This well will be drilled to a total depth to sufficiently test the Codell/Niobrara formations.
3. Surface and Bottom Hole Locations  
Surface Location: 417' FSL, 1016' FWL, Section 10, T5N, R65N  
Bottom Hole Location: 100' FSL, 1320' FWL, Section 10, T5N, R65W
4. Anticipated Spud Date  
Third Quarter 2011

Pursuant to the aforementioned rule, you have twenty (20) days from your receipt of this notice to object to this proposal. In the event you do not respond to this notice or enter an objection within the established time period, the proposed 160 acre spacing unit for the Codell/Niobrara formation set forth herein shall be established. However, should you have no objection to this proposal, please so indicate by signing in the space provided below and returning one copy to the undersigned at your earliest convenience. Your cooperation in this matter is greatly appreciated so the Matrix may timely continue the permitting process for this well.

A formal well proposal, including Matrix's proposed AFE and JOA will be forthcoming under separate cover.

Thank you in advance for your timely consideration and response to this proposal. Please feel free to contact me at 970-282-1211 should you have any questions.

Yours truly,

MATRIX ENERGY, LLC

  
Dan L. Schwartz  
Co-Manager

Encl.

Pursuant to the paragraph 6 of Rule 318A.e., Order 1R-100 of the Colorado Oil and Gas Conservation Commission, the undersigned has received notice from Matrix Energy, LLC of its intention to drill and operate the Kuettel 14-10-24 well in Section 10, T5N, R65W, 6th P.M. Weld County, Colorado and the undersigned hereby waives the minimum twenty (20) day written notice requirement as provided by said rule.

By: Andele Energy, LLC

Date: \_\_\_\_\_

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Billiken Resources, LLC

Taku Resources LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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By: Eclipse Energy, LLC

Date: \_\_\_\_\_

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Dan L. Schwartz  
Co-Manager

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By: Clayton Hartman

Date: \_\_\_\_\_

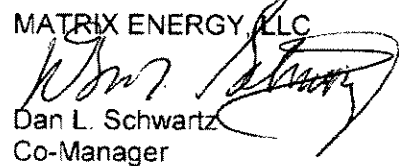
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Co-Manager

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LJ Schwartz Trust

By: Leorial Schwartz

Date: \_\_\_\_\_

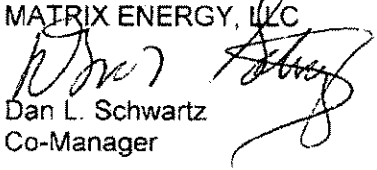
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Paragon Investment Group LLC

By: Byron Collins

Date: \_\_\_\_\_

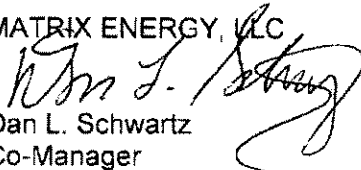
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By: Barry L. Snyder

Date: \_\_\_\_\_



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Dan L. Schwartz  
Co-Manager

Encl.

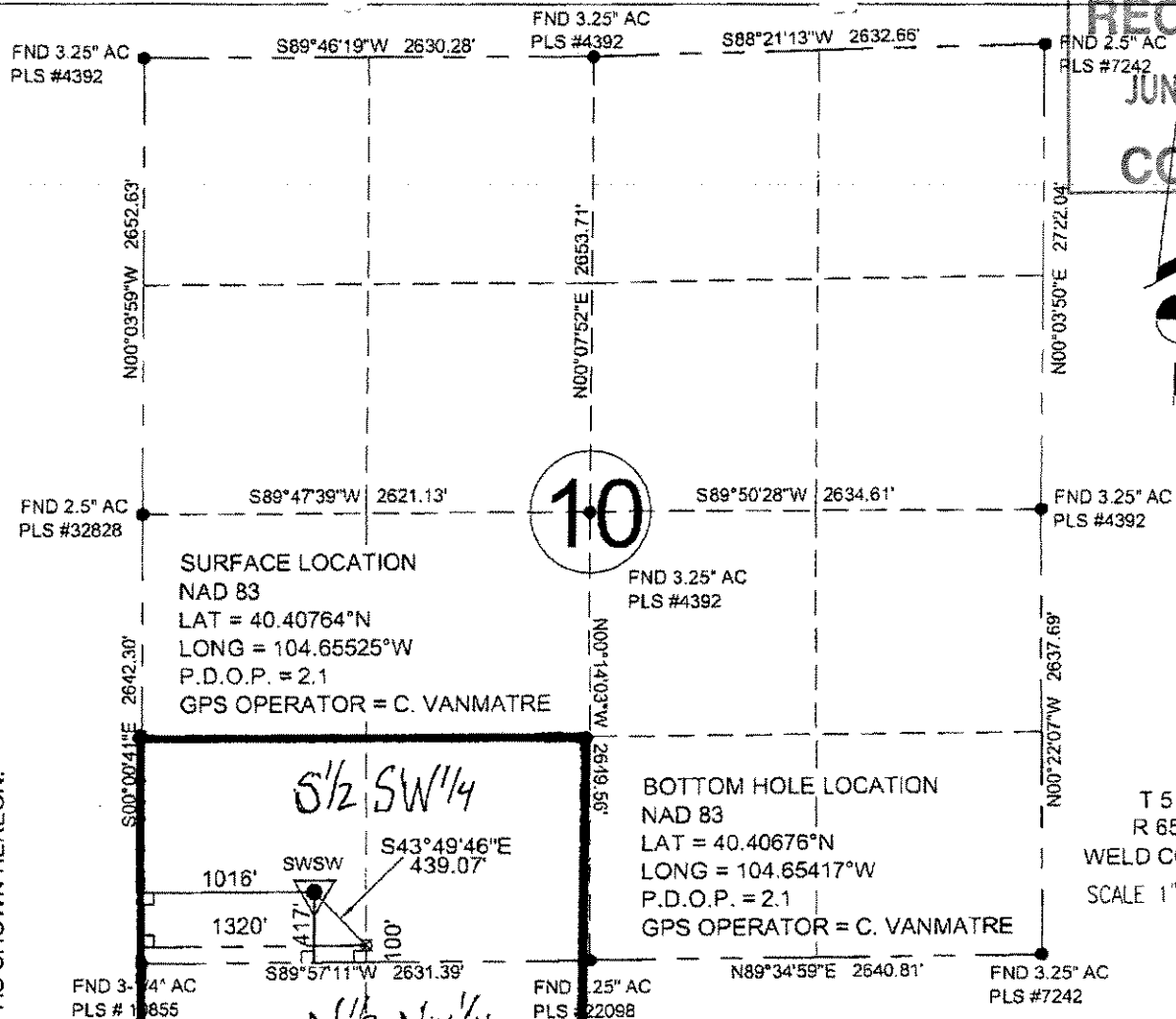
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Viking Production LLC

By: Christopher Schwartz

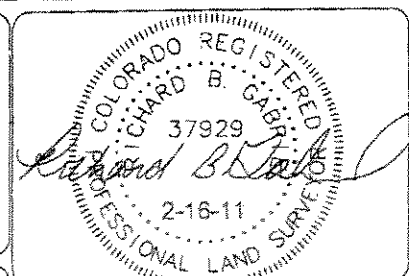
Date: \_\_\_\_\_

BASIS OF BEARINGS: THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SECTION 10, AS SHOWN HEREON.



**RECEIVED**  
JUN 07 2011  
**COGCC**

T 5 N  
R 65 W  
WELD COUNTY  
SCALE 1"=1000'



**POWER**  
Surveying Company, Inc.  
Established 1978  
120 W. 84TH AVENUE  
THORNTON, COLORADO 80280  
PH. 303-702-1617  
FAX. 303-702-1488  
WWW.POWERSURVEYING.COM  
DATE OF FIELD WORK: 2-15-11  
DATE OF COMPLETION: 2-18-11  
PROJECT NUMBER: 501-11-025  
SHEET 1 OF 2