

**Petron Development Company**  
1899 W. Littleton Blvd.  
Littleton, Colorado 80120  
Telephone (303) 794-5300

October 14, 2011  
VIA CERTIFIED MAIL  
Article # 2006 2150 0002 0523 3051

Mr. Alfred Ward, Jr.  
Al Ward & Son, Inc.  
2195 E. Crooked Lake Drive  
Eustis, FL 32726

RE: NOTICE OF INTENT TO DRILL

Ward 2-17  
SE1/4SW1/4 Sec. 17-T3N-R46W  
Yuma County, Colorado

Ward 3-17  
NE1/4SW1/4 Sec. 17-T3N-R46W  
Yuma County, Colorado

Ladies & Gentlemen:

Warren Resources #1, LLC holds an oil and gas lease covering lands in which you own the surface. Pursuant to Rule 305 of the Colorado Oil and Gas Conservation Commission, this letter is to give you notice that Petron Development Company (operator for the property) intends to conduct operations for drilling of two Niobrara gas wells. Please be advised of the following:

1. Operations with heavy equipment are estimated to commence on approximately December 01, 2011
2. The operator is:  
Petron Development Company  
1899 W. Littleton Blvd.  
Littleton, Colorado 80120  
Contacts are:  
Jim Walker or Ron Walker  
Telephone 303-794-5300  
Fax 303-794-5356
3. Pursuant to Rule 305 (e)(1)(A) a list of major equipment components includes, but may not be limited to: Drilling Rig with Diesel Engine, Catwalk, Doghouse with Diesel Engine, Mud Tank, Mud Pump with Diesel Engine, Water Tankers, Tractors with Diesel Engines, Travel Camper, Trash Trailer, Portable Toilet, Storage Trailer, wellhead[Christmas tree], flow line & water line, meter shed and associated metering equipment.
4. Pursuant to Rule 305 (e)(1)(A) attached is a drawing showing all visible improvements within (400') four hundred feet of the proposed location. [see attached exhibit]
5. Pursuant to Rule 305 (e)(1)(A) an 8-1/2" x 11" vicinity or U.S. Geological Survey map showing the access road into location. [see attached exhibit]

6. Pursuant to Rule 305 (e)(I)(A), be advised that the complete Permit Application will be available on the COGCC web site at <http://cogcc.state.co.us> for your review and the submittal of comment to the Director should you desire to do so.
7. Enclosed is a brochure describing surface owner rights and responsibilities from the Colorado Oil and Gas Conservation Commission along with rules and procedures concerning a request for an onsite inspection from the C.O.G.C.C.
8. In addition, we have enclosed a return addressed, postage prepaid envelope upon which you (the surface owner) may request your preference with respect to a consultation with the operator under Rule 306. Please include the attached election form.
9. The surface owner has responsibility for notifying any affected tenant of the proposed operations.

Thank you for your cooperation and please feel free to contact us with any question, comments, or concerns you may have.

Sincerely,



Jim Walker

Enclosures:

Surface Owner Election  
Drawing of improvements  
Map with access road  
COGCC Brochure

**SURFACE OWNER ELECTION**

Ward 2-17  
SE1/4SW1/4 Sec. 17-T3N-R46W  
Yuma County, Colorado

Ward 3-17  
SE1/4SW1/4 Sec. 17-T3N-R46W  
Yuma County, Colorado

We have included a plat which describes the approximate well and lease road locations. Please review all material before responding.

Please check where if applicable:

\_\_\_\_\_ As the surface owner of the SW1/4 of Section 17 T3N R46W, I would like to meet with the operator concerning the drilling or other proposed operations. I would be available to meet with the operator on the following dates and times (please list three possible times and a contact phone number):

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

\_\_\_\_\_ I waive the 30 day rule for notification prior to commencement of drilling operations.

\_\_\_\_\_  
Signed - Surface Owner

\_\_\_\_\_  
Dated

**\*\*\* PLEASE KEEP ONE (1) COPY FOR YOUR RECORDS \*\*\***

# Section 17 T3N R46W

