May 12, 2014

Scott Cantrall   VIA CERTIFIED MAIL
P. O. Box 130
Johnstown, NE 69214-0130   ARTICLE NO. 7006 0810 0005 2692 8422

                                                   RE: NOTICE OF THE INTENT TO DRILL
                                                        Cantrall 34-34 1S44W SWSE/4
                                                        Yuma County, Colorado

Dear Mr. Cantrall,

This letter is to advise you, as Surface Owner it is our intent to commence drilling operations for a natural gas well in the above referenced location. If you have a tenant leasing this location, please notify them of this operation. Should you and/or your tenant desire to be present during the staking process, please contact Loni Davis at the Wray office @ 970-332-3585. If you are not the Surface Owner of the Southwest of the Southeast quarter of Section 34, Township 1 South, Range 44 West, we ask that you please notify this office immediately so that the proper land owner may be notified.

We hope to commence drilling operations during the 3rd quarter of 2014 calendar year. We will contact you prior to moving onto location as we learn the approval date of the APD, rig availability and title approval.

COGCC rule 305.f. requires a thirty-(30) day notice to landowners prior to commencement of drilling operations. Mr. Gary Timmer will contact you for a surface owner consultation per COGCC Rule 306.

Per COGCC rule 305.f.(3) we have enclosed a drawing of the proposed location to include placement of pipelines and facilities, the COGCC Informational Brochure for Surface Owner. COGCC Rule 305.c. gives you the right to submit written comments about the proposed location to the Director, the LGD and to Augustus Energy Resources LLC, as well as receiving the Form 2A, the major equipment list, a plat showing visible improvements within 500' of the location and a topo map showing the proposed access route and the COGCC hydraulic fracturing informational sheet. We will provide you with the information referenced above unless you waive your right to receive these documents.

If you have any questions regarding this information, or have questions that arise after the consultation, please feel free to contact us. Your time and assistance regarding this matter is greatly appreciated.

Very truly yours,

Augustus Energy Resources LLC

Loni J. Davis
Operations Accounting and Regulatory Specialist

I, _____, as Surface Owner of the above referenced property, do hereby waive the thirty (30) day rule for notification prior to commencement of drilling operation.

_____Do _____Do Not hereby waive the receipt of documents under COGCC rule 305.c.

By signing below, I acknowledge that upon receipt of this letter Augustus Energy Resources LLC may proceed with drilling at their discretion.

_____   _____
              Surface Owner   Date

cc: COGCC
     AER Well File

Cantrall 34.34
Scott Cantrall
P.O. Box 130
Johnstown. NE 69214

7006 0810 0005 2692 8422

1. Article Addressed to:

Scott Cantrall
P.O. Box 130
Johnstown. NE
              69214-0130

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X _Scott Cantrall_   ☐ Agent
                      ☑ Addressee

B. Received by (Printed Name)   C. Date of Delivery
   Scott Cantrall   5-15-14

D. Is delivery address different from item 1? ☐ Yes
   If YES, enter delivery address below: ☑ No

3. Service Type
   ☑ Certified Mail®   ☐ Priority Mail Express™
   ☐ Registered   ☑ Return Receipt for Merchandise
   ☐ Insured Mail   ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)   ☐ Yes

2.   7006 0810 0005 2692 8422

PS Form 3811, July 2013   Domestic Return Receipt