

7/21/2014

Paula D. Farner  
28498 County Road 14  
Keenesburg, Colorado 80643

RE: Rule 305.a.(2) Notification:

Pastelak 01N-64W-02-1C Well: 215' FNL, 1,256' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-2N Well: 215' FNL, 1,271' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-3N Well: 215' FNL, 1,286' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-4N Well: 215' FNL, 1,301' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-5C Well: 215' FNL, 1,316' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-6N Well: 215' FNL, 1,331' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-7N Well: 215' FNL, 1,346' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-8N Well: 215' FNL, 1,361' FWL, Sec. 02-T1N-R64W, Weld County, Colorado  
Pastelak 01N-64W-02-9C Well: 215' FNL, 1,376' FWL, Sec. 02-T1N-R64W, Weld County, Colorado

Ms Farner,

You are being provided this as a mandatory notice. Verdad Oil & Gas Corp. ("Verdad") is applying to the Colorado Oil and Gas Conversation Commission (COGCC) to drill the above referenced wells at the described surface location. Colorado Oil and Gas Conservation Commission Rule 305.a.(2), stipulates that for oil & gas locations that are proposed within the buffer zone (within 1000' of a building unit), the operator shall notify the owners of all Building Units within the 1000' radius that a permit to conduct Oil and Gas Operations is being sought. Your building unit lies within 1000' of the proposed location.

You are entitled to the following information:

**a. Operator name and contact info:**

Verdad Oil & Gas Corporation  
5950 Cedar Springs Road, Suite 200  
Dallas, TX 75235

**b. Location and a general description of the proposed Well & facilities:**

Nine (9) well pad and associated production facilities located southwest of the intersection of CR 14 & CR 59 in Weld County, CO.

**c. Anticipated date operations will commence:**

Operations are planned to commence in the Third Quarter of 2014. The exact date will vary based upon the rig availability and other operational factors.

**d. The Local Governmental Designee (LGD) contact information:**

Tom Parko - Weld County LGD  
970-353-6100  
[tparko@weldgov.com](mailto:tparko@weldgov.com)

Mailing address:  
Weld County  
Attn: Tom Parko  
1555 N 17<sup>th</sup> Street  
Greeley, CO 80631

**e. As a building unit owner, you may request a meeting to discuss the proposed operations by contacting the LGD or Operator.**

**f. "Notice of Comment Period" will be sent pursuant to Rule 305.c. when the public comment period commences. This notice will include additional information and an invitation to comment further.**

You may contact the following individual concerning the proposed operations:

Arthur Beecherl  
5950 Cedar Springs Road, Suite 200  
Dallas, TX 75235  
214-838-2783

Thank you for your attention to this matter.

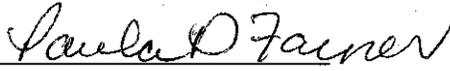
Sincerely,



L. Arthur Beecherl, IV  
Vice President of Operations  
Verdad Oil and Gas Corporation

Please execute below should you agree to the following:

*The undersigned hereby acknowledges receipt of this notice and waives all notice and consultation requirements under COGCC Rules 305 and 306.*

By:   
Paula D. Farner

08/20/14