



MATRIX ENERGY, LLC

CAUSE No 1

ORDER NO. 0107-EX-02

DATE: JULY 9, 2001

EXHIBIT

7/10/01

19th STREET

022

023

024

440'

001

002

006

1615'

005

CHESTNUT AVENUE

001

002

003

004

005

006

007

Kuettel 14-10

6

Helius

Litclea

Sharp

165

LUS

18

7

5

165'

430'

20th

W $\frac{1}{4}$ cor. re-bar
in roadway

SW $\frac{1}{4}$ sec. 10 T5N R65W

dwelling 1900 — 271' — wellhead Matrix Energy LLC.
Chestnut Ave. — 281' — Kuettel 14-10 485'FSL & 860'FWL
dwelling 1920 — 3' —
Chestnut Ave. —
dwelling 1930 —
Chestnut Ave. —



W $\frac{1}{4}$ cor. re-bar
in roadway

S $\frac{1}{4}$ cor. re-bar
in roadway

Certificate of Footages
Weld County, Colorado

This is to certify that the footages from the wellhead to the
3 dwellings as shown above are correct to the best of my
knowledge.

Holloway & Holloway, Inc.
PLS 2853 State of Colorado
4-27-2001

Ring & Holloway

MATRIX ENERGY, LLC
201 LINDEN STREET, SUITE 301
FORT COLLINS, CO 80524
970-49307690

July 21, 1999

Donovan J. and Janel D. Sharpe
1920 Chestnut Ave
Greeley, CO 80631

RE: Oil and Gas Lease
Township 5 North, Range 65 West
Section 10: SW¼

Dear Mr. and Mrs. Sharpe:

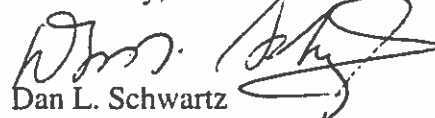
Matrix Energy, LLC is currently acquiring Non-Surface Oil and Gas leases covering the SW¼, Section 10, Township 5 North, Range 65 West, Weld County, Colorado. County Records and Tax Records suggest that you may own a part of the mineral estate of the above referenced lands. Matrix would like to offer to you an Oil and Gas Lease under the following terms: \$50.00 per net acre bonus, 1/8th (12.5%) royalty, and the primary term of the lease would be one (1) year. A Non-Surface Occupancy lease is one in which drilling operations and/or production facilities will not be located on your property. At the present time Matrix has secured over 60% of the leases in the quarter section and has surface sites for the wells.

If you are in agreement with terms of the enclosed Oil and Gas lease please do the following:

- 1) Have the Lease acknowledged before a Notary Public. You can find a Notary Public at your bank or any attorney's office. A Notary Public in your area is Lola Richardson. Her phone number is 352-0612.
- 2) Tear off the 1st page of the Sight Draft (green), sign the Sight Draft's second page (yellow) in the lower right, acknowledging your receipt of the original.
- 3) Following execution and acknowledgements please return the Lease and the copy of the Sight Draft (yellow) in the self addressed envelope.
- 4) You may present the sight draft (green) to your bank for collection. This is a collection item and not a cash item, which means they will send it to our bank for collection.

If you should have any questions regarding this matter please feel free to call me at the 970-493-7690.
Thank you for your time and consideration.

Yours truly,


Dan L. Schwartz

/dls
encl.

MATRIX ENERGY, LLC
201 LINDEN STREET, SUITE 301
FORT COLLINS, CO 80524
970-49307690

October 12, 1999

SECOND NOTICE

Donovan J. and Janel D. Sharpe
1920 Chestnut Ave
Greeley, CO 80631

RE: Oil and Gas Lease
Township 5 North, Range 65 West
Section 10: SW¼

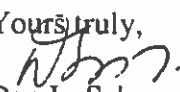
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If you should have any questions regarding this matter please feel free to call me at the 970-493-7690.
Thank you for your time and consideration.

Yours truly,

Dan L. Schwartz



/dls
encl.

MATRIX ENERGY, LLC
P.O. BOX 271309
FORT COLLINS, CO 80527
970-282-1211

April 25, 2001

THIRD NOTICE

Donovan J. Sharpe and Janel D. Sharpe
1920 Chestnut Ave
Greeley, CO 80631

RE: Oil and Gas Lease
Township 5 North, Range 65 West
Section 10: SW¼

Dear Mr. and Mrs. Sharpe:

Matrix Energy, LLC is currently acquiring Non-Surface Oil and Gas leases covering the SW¼, Section 10, Township 5 North, Range 65 West, Weld County, Colorado. County Records and Tax Records suggest that you may own a part of the mineral estate of the above referenced lands. Matrix would like to offer to you an Oil and Gas Lease under the following terms: \$50.00 bonus, 1/8th (12.5%) royalty, and the primary term of the lease would be one (1) year. A Non-Surface Occupancy lease is one in which drilling operations and/or production facilities will not be located on your property.

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- 1) Have the Lease acknowledged before a Notary Public. You can find a Notary Public at your bank or any attorney's office. A Notary Public in your area is Lola Richardson. Her phone number is 352-0612.
- 2) Following execution and acknowledgements please return the Lease in the self addressed envelope.
- 3) You may cash the enclosed check for \$50.00 upon execution of the lease.
- 4) Currently you are entitled to \$261.78 in revenue for the Straght HA, Varra HA, and King HA wells. Upon execution of the lease and Division Orders that follow we will release all accrued revenue.

If you should have any questions regarding this matter please feel free to call me at the 970-282-1211. Thank you for your time and consideration.

Yours truly,


Dan L. Schwartz

/dls
encl.

MATRIX ENERGY, LLC

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

October 6, 2000

Donovan J. Sharpe and Janel D. Sharpe
1920 Chestnut Ave
Greeley, CO 80631

RE: Surface Location Consent
Matrix Energy, LLC
SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 10, T5N, R65W
Weld County, Colorado

Dear Mr. and Mrs. Sharpe:

Matrix Energy, LLC is planning on drilling a oil and gas well near your property in the next 45 days. They are governed by the rules of the Colorado Oil and Gas Conservation Commission and this well could possibly be declared a High Density Area. The requirements for High Density Area are that the wellhead and production equipment is to be located not less than 350' from any building unit.

This letter will verify your consent as the surface owner and operator of the surface improvements in question, to the location of the Kuettel 14-10 wellhead and production equipment, which will be located within the minimum distances as suggested by the COGCC "High Density Area rules.

Please signify your consent to the proposed surface location of the Kuettel 14-10 oil and gas well by your signatures below. Thank you for your time and consideration.

Yours truly,


Dan L. Schwartz
Co-Manager

SURFACE LOCATION CONSENT:

Donovan J. Sharpe

Date: _____

Janel D. Sharpe

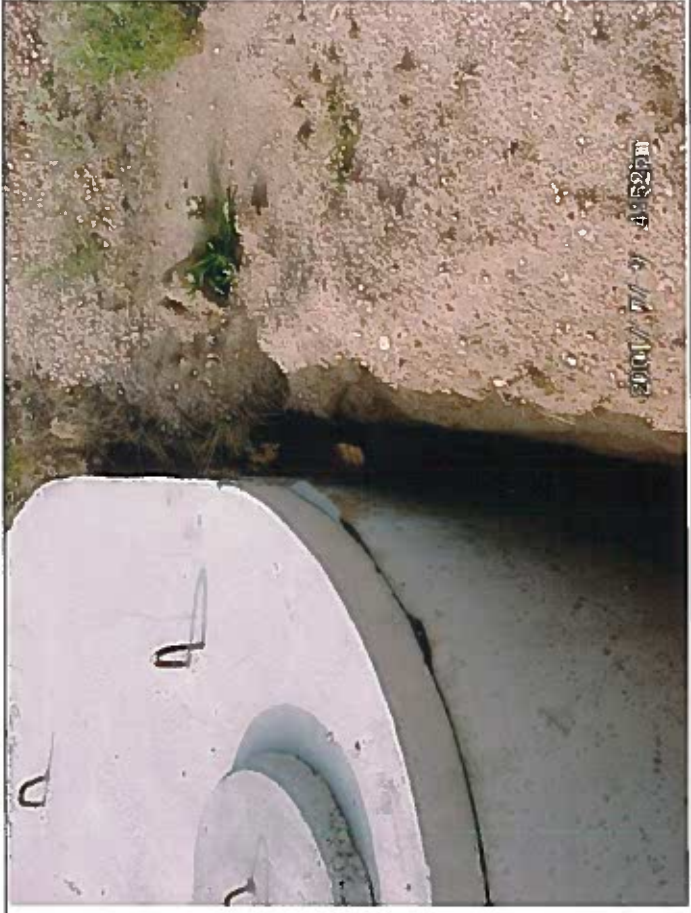
Date: _____



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E

