



**PETRO-CANADA** \* Petro-Canada Resources (USA) Inc.

April 5, 2006

Tom Toner  
Yonkee & Toner  
P.O. Box 6288  
Sheridan, WY 82801-6288  
FAX: 307-672-6250

Dear Tom:

The two phone messages I have left with you in the past several days are to talk with you regarding Mr. Ken Clabaugh. On March 22<sup>nd</sup>, I phoned Mr. Clabaugh to try to talk with him about concerns he has raised about CBM discharge water in the Wild Horse Creek drainage across his ranch. Mr. Clabaugh would not agree to talk with me about his concerns and said before he would do anything I needed to talk with you first.

Petro-Canada is one of several CBM operators in the Wild Horse Creek drainage. We have been successful with virtually all other landowners in the drainage in addressing their concerns relative to discharges of CBM produced water in the drainage. The operators have previously written Mr. Clabaugh to try to set up a meeting to talk about his concerns, but we have received no response. I would like to be able to discuss Mr. Clabaugh's concerns with him directly and see whether there are measures that could be taken to address his concerns. I was hoping you might be willing to contact him and see if he would be willing to meet with me. I would be happy to meet with him at his ranch at his convenience.

I would appreciate it if you would give me a call back regarding this matter. Thank you.

Sincerely,

David C. Gremel  
Landman