

Mammoth Special Alert

July 15, 2009

Dear Chimney Rock Phase 1 Participant:

I wanted to send you a special Mammoth Alert to let you know that things are progressing quite well with our test well on the Chimney Rock property.

We are still in the process of bleeding off the excess nitrogen in order to prepare it for market. Today we had a visit from Somerset Gas, which conducted a nitrogen test on the natural gas. Our gas tested at 15.9% nitrogen, substantially down from our initial test. As you may know, our nitrogen must test at 4% or less before it may be sent to market.

Our staff works nearly every day bleeding off nitrogen and I am sure you will join me in thanking them for working days, nights and weekends to get us into production in the shortest potential time.

Regarding our BTU component (a calculation of the amount of heat that is contained within the gas), with 1,040 BTU being the required amount before gas can be properly produced, our well has now climbed from 627-954 BTU, according to the Somerset test. For those of you with a bit of an engineering background, it might be obvious for you to know that as nitrogen is displaced by natural gas our BTU calculation will climb commensurately. We appear to be on target to bleed off the rest of the nitrogen as well as reaching the BTU minimum standards at the same time.

We have scheduled for Somerset Gas to return on July 30, 2009 at 9:00 AM. We believe that we will be cleared for production at that time or be extremely close. Our mood has brightened greatly once we realized how well nitrogen has worked down-hole and we are anxious to continue with our development progress for the benefit of the Partnership.

That's it for now and you can expect more later.