



September 30, 2008

Attorneys and Counselors at Law

RE: Powder River Petroleum International, Inc.
Asian Investors' Working Interest Report

On July 14, 2008, the undersigned Bruce W. Day, was appointed as the Receiver for Powder River Petroleum International, Inc. ("Powder River") by the District Court of Tulsa County, State of Oklahoma. Powder River sold working interests in various oil and gas properties located in Louisiana, Oklahoma and Texas (the "Working Interests"), by and through Oil Pods, Inc. ("Oil Pods"), to over 2,000 investors located in Singapore and several other Asian countries (the "Asian Investors") from 2004-2007. Brian Fox, the President of Powder River, attended a series of investor presentations by Oil Pods during this period. The Asian Investors paid Powder River in excess of \$40,000,000 for the Working Interests they acquired. Powder River promised the Asian Investors a minimum payment of 9% per annum on their investment beginning six months after the purchase and continuing until the full amount of the investor's investment had been repaid. Oil Pods was paid a 20% commission for its role in marketing the Working Interests on behalf of Powder River and a 10% account maintenance fee. Following my appointment as the Receiver, an independent oil and gas consulting and engineering firm, Lee Keeling and Associates, Inc. (the "Oil and Gas Consultant"), was retained to appraise (i) the oil and gas properties owned by Powder River and (ii) the oil and gas properties owned by the Asian Investors. A summary of the Oil and Gas Consultant's report as to the value of the working interests owned by the Asian Investors is set forth below:

In accordance with your request, we have prepared an appraisal of interests owned by the Asian Investors (Investors) in oil and gas properties owned by Powder River Petroleum International, Inc. (Powder River) and located in Louisiana, Mississippi, Oklahoma and Texas. Fair Market Values have been prepared as of the two effective dates indicated above. The results are shown below:

<u>Reserve Classification</u>	<u>Estimated Remaining Net Reserves</u>		<u>Future Net Revenue</u>		<u>Fair Market Value</u>
	<u>Oil (BBLs)</u>	<u>Gas (MCF)</u>	<u>Total</u>	<u>Present Worth Disc. @ 10%</u>	
As of January 1, 2008					
<u>Proved Developed</u>					
Producing	17,217	267,254	\$2,239,584	\$1,855,156	\$1,609,951
As of August 1, 2008					
<u>Proved Developed</u>					
Producing	18,909	138,801	\$2,009,010	\$1,525,408	\$1,272,491

Notes:

- (1) All reserves classified as Proved Developed Producing
- (2) Totals may not agree with schedules due to computer roundoff.

The term, Fair Market Value, as used above, reflects our opinion of the amount which would be paid for the appraised interests by a buyer able and willing to buy, to a seller willing but not forced to sell, with both buyer and seller having a reasonable knowledge of the facts.

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As can be seen from the summary of the Oil and Gas consultant's report, the estimated future net revenue attributable to the oil and gas working interests of the Asian Investors will not be sufficient to repay even a small portion of the Asian investors' investment in the properties. Moreover, the Receiver has determined that the company is insolvent and has no funds with which to meet past due obligations.

Given the state of affairs of Powder River, in order to minimize expenses which would further reduce any additional recovery, and my inability to provide any more sufficient information, at this time other than that which might be found on Powder River's website <http://www.powderrivergascorp.com>, I would suggest that you contact:

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