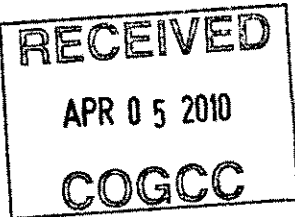




Exception Location Request

Prospect Energy, LLC



March 30, 2010

Mr. David Neslin, Director
State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: Request for Exception to Rule 603.a.(2)
Well Name: Community #7
Larimer County, Colorado

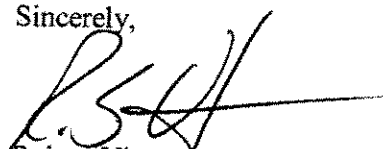
Dear Director:

Prospect Energy, LLC controls certain oil and gas leasehold on fee minerals in Larimer County, Colorado. By this letter, we are submitting a Form 2 and 2A for the subject well and requesting a variance to Rule 603a.(2) for a location that is closer than 150 feet from a property line. Specifically, the subject well will be one hundred and eight (108) feet from an offset property line.

Please find attached a signed waiver letter from the affected offset surface owner(s) authorizing the encroachment to their surface property line. Prospect Energy has negotiated placement of all wells and discussed all issues with surface owners. We have a cooperative agreement between the surface owner to operate the well(s) drilled from the subject well pad.

If you have any questions or need additional information, please feel free to contact me at (303)-973-3228.

Sincerely,


Robert Vincent
VP Operations

Enclosures