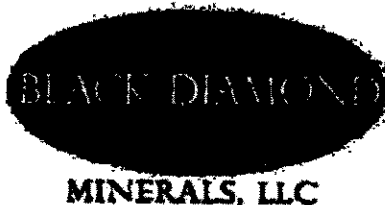
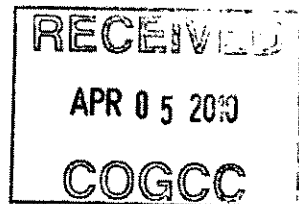




Exception Loc Waiver

112



March 29, 2010

Windsor Reservoir and Canal
Ditch Office
106 Elm Ave.
Eaton, CO 80615

RE: COGCC Rule 603.a.(2) Waiver
Location ID: 307509, Well Name/No: Community #7
Surface location: SESE Section 18, T8N - R68W
Larimer County, Colorado

Attn: Kim

Prospect Energy, LLC desires to locate one well on the subject well pad described above. The well located on the pad site will be located approximately 105 feet from your surface property line.

Colorado Oil and Gas Commission Rule 603.a (2) provides that any well shall be a minimum distance of one hundred fifty (150) feet from a surface property line. The Rule further provides that the Director may grant an exception to such requirement if a waiver is received from the affected surface property owner.

To facilitate our operations, we are requesting your waiver of Rule 603.a.(2) as it applies to wells located on the subject well pad. If you agree with providing such waiver, please so indicate by signing in the space provided at the bottom of this letter. Please have the signed letter notarized and returned to my attention in the enclosed self-addressed stamped envelope.

Thank you for your cooperation in this matter. If you have any questions, please contact me at 303-973-3228, ext. 221.

Sincerely,

Margaret Leiser
VP Business Development

The undersigned hereby waives COGCC Rule 603.a.(2) as it relates to the above referenced location in Larimer County, Colorado.

WINDSOR RESERVOIR AND CANAL

By:

1800 Stout Street, Ste. 1710
Denver, Colorado 80202

303-973-3228 (o)
303-349-4883 (fx)

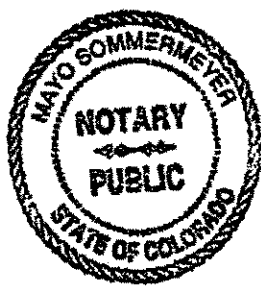
RECEIVED
APR 05 2010
COGCC

STATE OF COLORADO)
COUNTY OF Weld }

This instrument was acknowledged before me on this _____ day of _____, 2010 by
Barry Anderson and 10-30-10

My commission expires: 10-30-10


Notary Public



1600 Stout Street, Ste. 1710
Denver, Colorado 80202

303-873-3228 (o)
303-346-4873 (h)