



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

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May 12, 2010

Shell Exploration & Production
F/B/O Shell Frontier Oil & Gas Inc. and
Shell Oil Company
200 North Dairy Ashford
Houston, Texas 77079-1197
Attention: Mr. Keith M. Etzel, CPL

Sent by Federal Express

Re: Shell 797-09-29A and 29B Wells
Section 09-T7S-R97W
Garfield County, Colorado

Dear Mr. Etzel:

OXY USA WTP LP (Oxy) requests certain approvals, consents, and waivers from, and that certain elections be made by, Shell Frontier Oil & Gas Inc. and Shell Oil Company (together, Shell).

Approvals and Consents

1. Pursuant to the terms of Article Twenty in that certain Oil and Gas Lease dated June 1, 2004, between Oxy and Shell, as amended, Oxy does hereby request approval of the locations for the following wells:

Shell 797-09-29A, 316' FNL 2356' FWL
Shell 797-09-29B, 323' FNL 2353' FWL
both located in Section 09-T7S-R97W, Garfield County, Colorado (the "Wells").

2. Oxy requests that Shell consent, pursuant to Section 7-808 of the Garfield County Unified Land Use Resolution, to Oxy installing temporary employee housing for eight or less individuals in connection with drilling and completion activities related to the Wells.

Waivers

1. In connection with the Wells, Oxy requests that Shell waive the requirement in Article Twenty (20) of the Lease that requires Oxy to submit all proposed locations of well sites to Shell at least twenty (20) days before conducting earth work, or conducting any other activity relating to locating a well on the land and before filing an Application for Permit to Drill, Deepen or Re-enter and Operate with the Colorado Oil and Gas Conservation Commission (COGCC).

2. In connection with the Wells, Oxy requests that Shell waive all rights to advance notice, consultation, seek a hearing, extend any comment period, and any other similar right pursuant to current and future practices, procedures, rules, and regulations of the COGCC.

Elections

The Colorado Division of Wildlife has recommended including certain Conditions of Approval (COAs) not specifically listed in the COGCC Rules in Oxy's permits for the wells described herein. These additional operating requirements can only be imposed with the surface owner's consent.

Each of the COAs (or parts thereof), that require your prior consent are set forth below, together with "Consent" and "Reject" boxes for you to mark with an "X" as to whether you want the COA incorporated into Oxy's permit for the proposed wells:

- Prior to drilling, the operator shall install 8-foot fencing on the reserve pit to protect wildlife and migratory birds.

☐ Consent

☐ Reject

- Prior to drilling the operator shall net the reserve pit to protect wildlife, water fowl, and migratory birds.

☐ Consent

☐ Reject

Please make the above mentioned elections, and then forward one executed original of this letter to my attention. Thank you for your consideration in this matter. If you have any questions, please feel free to contact me at the above address.

Sincerely,
OXY USA WTP LP

Timothy J. Mahaffey
Land Negotiator
Mid-Continent Business Unit

By execution hereof, Shell Frontier Oil & Gas Inc. and Shell Oil Company grant all approvals, consents and waivers requested by Oxy in this letter agreement, as well as make the elections noted above.

Shell Frontier Oil & Gas Inc.

By: _____

Name: _____

Title: _____

Date: _____

Shell Oil Company

By: _____

Name: _____

Title: _____

Date: _____