



## Kerr-McGee Oil & Gas Onshore LP

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June 2, 2010

Colorado Oil and Gas Conservation Commission  
Attn: Mr. David Neslin  
1120 Lincoln Street, Suite 801  
Denver, CO 80202

Re: Request for Approval of 502.b.Variance  
**CARMA 21-36 Well**  
Township 3 North, Range 68 West, 6<sup>th</sup> P.M.  
Section 36: SE/4NW/4 (directional)  
Surface location: 1509' FNL, 1454' FWL  
Bottom Hole location 1330' FNL, 2580' FEL  
Spacing Unit: T3N-R68W; Sec. 36: W/2NE/4, E/2NW/4  
Weld County, Colorado

Dear Sir:

Kerr-McGee Oil & Gas Onshore LP ("KMG") proposes to directionally drill the captioned oil and gas well (the "Subject Well") from the above described surface location to the above described bottom hole location. Due to our geologic interpretation, KMG plans to bottom hole the subject well at a Rule 318A.a exception location outside a GWA window.

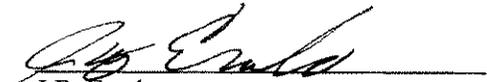
In order to create a wellbore spacing unit, Kerr McGee must obtain consent from all mineral owners within the proposed unit. According to our record check, there are two (2) mineral owners within the spacing unit. KMG mailed notices (which included requests for waiver of Rule 318A.a. and consent to the spacing unit) to all mineral owners by certified mail under cover dated March 15, 2010. At least 20 days have expired since the notices were delivered.

Attached are copies of the signed notices of the one (1) mineral owner who has waived Rule 318A.a. and consented to the proposed wellbore spacing unit. As of this date June 2, 2010, one (1) mineral owner has not responded. No mineral owner has made a protest to the proposed well location or its wellbore spacing unit.

This is to respectfully request that the Director approve this Variance Request under Rule 502.b. and authorize the exception location for the well and the proposed wellbore spacing unit as set forth above.

Should you have any questions, please contact our office. Thank you in advance for your consideration and cooperation with us in this regard.

Respectfully,  
**Kerr-McGee Oil & Gas Onshore LP**

  
J.P. Errebo  
Staff Landman

encl.