



September, 1, 2010

Robert C. Norris
T-Cross Ranches
970 Summer Games Dr.
Colorado Springs, CO 80906

Re: Surface Location Waiver
Naos State 32-4 Well
Township 16 South, Range 64 West, 6th P.M.
Section 4: SWNE
El Paso County, Colorado

Dear Mr. Norris:

Pine Ridge Oil & Gas, LLC ("Pine Ridge") requests your signature on this letter to agree to a waiver of the 600' setback requirement under Rule No. 318a pertaining to the wellhead location, for the above referenced well only.

"Rule 318 a. Wells 2,500 feet or greater in depth. *A well to be drilled two thousand five hundred (2,500) feet or greater shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source or supply, unless authorized by order of the Commission upon hearing."*

The above well as proposed is located 333 feet north of the north lease line of that certain Oil & Gas Lease between Robert C. Norris and Jane W. Norris, Trustees of the Robert C. Norris Family Trust, by Steve Norris as Attorney in Fact, lessor and Pine Ridge Oil & Gas, LLC, Lessee, dated April 22, 2009, insofar as said lease covers Township 16 South – Range 64 West, 6th P.M., Section 04: S/2.

An exception to the above rule is made possible by rule 318 c which states, in part:

"Rule 318c Exception Locations. *The Director may grant an operator's request for a well location exception to the requirements of this rule or any other because of geologic, environmental, topographic or archeological conditions, irregular sections, a surface owner request or for other good cause shown provided that a waiver or consent signed by the lease owner toward whom the well location is proposed to be moved, agreeing that the said well may be located at the point at which the operator proposes to drill the well and where correlative rights are protected. If the operator of the proposed well is also the operator of the drilling unit or unspaced offset lease toward which the well is proposed to be moved, waivers shall be obtained from the mineral interest owners under such lands."*

If you agree to grant the requested waiver, please sign and date below. We thank you very much for your cooperation.

Sincerely,

Carl A. Boecher
Senior Landman
Pine Ridge Oil & Gas, LLC

I hereby grant the waiver as set forth above.

By:
Name: ROBERT C. NORRIS
Date: 9/1/10