



March 21, 2011

State of Colorado
Oil & Gas Conservation Commission
David Neslin - Director
1120 Lincoln Street, Suite 801
Denver CO 80203

RE: Application for Well Location Exception
Apache Canyon #01-04
NWNW Sec. 01, T34S, R68W
798' FNL & 28' FWL
Las Animas County, Colorado

Mr. Neslin,

XTO Energy Inc. is requesting permission for a well location exception for the Apache Canyon 01-04. This well is in conflict with COGCC Rule and Regulation #318a regarding well spacing from any lease line. The above well is located less than 600' from the nearest lease line. The location of the subject well was requested by the surface owner (Colorado Division of Wildlife). XTO Energy Inc. is the mineral owner of the lease being encroached upon.

Please feel free to contact me at 505-333-3145 if you have any questions

Regards,

A handwritten signature in black ink that reads 'Kelly K. Kardos'.

Kelly K. Kardos
Sr. Permitting Tech