

K.P. KAUFFMAN COMPANY, INC.

Koester #18-33-5

WORLD TRADE CENTER
1675 BROADWAY, 28TH FLOOR
DENVER, COLORADO 80202-4628

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March 10, 2011

Frederick A. Deering and Elizabeth K. Deering
88 N. Casey Key Rd.
Osprey, FL 34229

RE: Greater Wattenberg Area Rule 318c, "A well to be drilled in excess of two thousand five hundred (2,500) feet in depth 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 of supply, unless authorized by order of the Commission upon hearing. The Director may grant an operator's request for a well location exception to the requirements of this rule or any order because of geologic, environmental, topographic or archaeological 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 said well may be located at the point at which the operator proposes to drill the well and where correlative rights are protected."

Dear Mr. and Mrs. Deering,

K.P. Kauffman Company, Inc. would like to request your confirmation of an exception location waiver for the Koester #18-33-5 well, located in the SW/4NW/4, Sec. 33, T4N, R67W, 6th PM, Weld County, Colorado, according to KPK's desired location of this well 1660' FNL and 738' FWL in the NW/4 of section 33. By signing below you grant K.P. Kauffman Company, Inc an exception by the **MINERAL** owner to Rule 318c) allowing the location to be closer than 600' from your lease line and an exception as determined by the COGCC. Thank you.

Sincerely,

K.P. Kauffman Company, Inc.

A handwritten signature in blue ink, appearing to read 'Avi Mehler', is written over a horizontal line.

By: Avi Mehler
Land Department

A handwritten signature in blue ink, appearing to read 'Frederick A. Deering', is written over a horizontal line.

Frederick A. Deering

A handwritten signature in blue ink, appearing to read 'Elizabeth K. Deering', is written over a horizontal line.

Elizabeth K. Deering