



August 30, 2011

Department of Natural Resources
Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln St., Suite 801
Denver, CO 80203

Re: Operator Approved Waiver to Rule 318A.m
Barclay 27N-27HZ
Township 3 North, Range 66 West
Section 27
Weld County, Colorado

Ladies/Gentlemen:

Kerr-McGee Oil & Gas Onshore LP ("KMG") respectfully requests the Director to accept this operator approved waiver to Rule 318A.m to allow the Barclay 27N-27HZ well to be drilled within 150' of other wells operated by KMG. Rule 318A.m of the Colorado Oil and Gas Commission's Rules and Regulations does not allow horizontal wells to be drilled within 150' of other wells unless this requirement is waived by the Operator of the encroached upon well(s).

Very truly yours,

Kerr-McGee Oil & Gas Onshore LP

A handwritten signature in blue ink, appearing to read 'David Kulmann'.

David Kulmann
Regulatory Affairs Team Lead