



August 29, 2011

Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

Attention: Mr. Dave Neslin

Re: Exception Location Request
Rockwell 24-13B 1S45W
408 feet FSL and 1463 feet FWL
of Section 13, Township 1 South,
Range 45 West, 6th PM, SW/4 of SESW/4
Yuma County, Colorado

Dear Mr. Neslin:

Per COGCC rule 318c, we would like to request an exception location request for the drilling of the above referenced well. The proposed well falls under Rule 318b which requires "that only one producible oil or gas well in each such source of supply shall be allowed in each governmental quarter-quarter section...". We would like to request an exception to allow the above referenced well to be drilled in the SW of the SESW/4. We will be permitting a new well location in the SE of the SESW/4, therefore, requiring the exception location request for the above referenced well.

Our request is based on the following geological data - The Rockwell locations in the SW4 section 13-T1S-R45W were selected based on their structural position and amplitude signature relative to the east-west trending fault system running along the south boundary of the section 13. The Rockwell 24-13B is positioned 200 FSL, 2400 FWL to take advantage of the highest structural point on the trap bounded to the north by the east-west trending scissor fault. The 24-13B location provides approximately 20 feet of structural advantage over a possible location to the south in the NENW4 section 24. The structural advantage afforded by the proposed 24-13B location and the fault separation demonstrated to exist between the 24-13A & 24-13B locations are the principal reasons Augustus is requesting two wells be permitted in the same qtr/qtr. Augustus feels that the 24-13B location will give us the best chance of economic recovery of reserves on this feature.

Since this well falls within the legal footage requirements as stated under 318b there were no off-setting mineral owners to request waivers from.

If you have any questions or require additional information please do not hesitate to call the number listed above.

Best Regards,

Augustus Energy Partners, LLC

Loni J. Davis
Operations Accounting and Regulatory Specialist

cc: AEP Well File