

Oct 10 2011 12:46PM

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Cholla Production, LLC

7851 South Elati Street Suite 201 Littleton, CO 80120 Ph: 303-623-4565 Fax: 303-623-5062 cholla_production@msn.com

October 10, 2011

Mr. Kurt Mitchell Cogburn
109 Utah, Box 81
Walsh, CO 81090

Re: Waiver to Colorado Oil and Gas Commission
Rule 318a. for the proposed Baldwin #2-18
Located 1586' FNL and 2083' FEL of the NE4,
Sec. 18, T32S-R44W, Baca County, Colorado

Dear Mitch:

Cholla Production, LLC is asking you to grant a waiver from Colorado Oil and Gas Commission Rule 318a., which states that all wells deeper than 2500 feet in depth shall be located not less than 600 feet from any lease line. You own minerals in the west half of Section 18-T32S-R44W. The above referenced well will be located 564 feet from your minerals in the west half instead of the 600 feet required by the COGCC regulations. Cholla Production, LLC is asking you for a waiver from Rule 318a. so as to drill the well at the referenced location. The reason for the waiver is that the proposed location is specifically sited on a hydrocarbon anomaly mapped by a surface electro-magnetic technique and a surface geochemical survey.

You may access a complete copy of the COGCC Rules at the following website: <http://cogcc.state.co.us>. Click on "Rules" and then "300 SERIES".

Please sign below indicating your agreement granting the requested waiver.

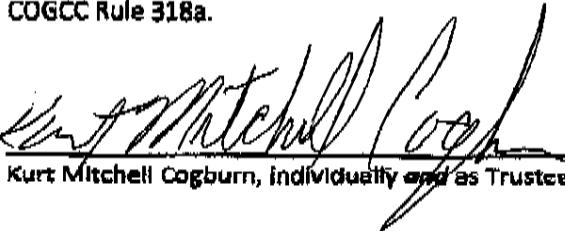
Thank you and please do not hesitate to call with any questions.

Sincerely,



Emily Hundley-Goff
Owner/Manager

I, Mitch Cogburn, owner of the minerals in the west half of Section 18-T32S-R44W in Baca County, Colorado, do hereby consent to granting the waiver for the location for the proposed Baldwin 2-18. I am allowing the proposed well to be located 564 feet from my lease line instead of the 600 feet as required by COGCC Rule 318a.



Kurt Mitchell Cogburn, individually and as Trustee of the Kurt M. Cogburn Trust dtd. 8/1/11

Date

10/14/11

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Cholla Production, LLC

7851 South Elati Street Suite 201 Littleton, CO 80120 Ph: 303-623-4565 Fax: 303-623-5062 cholla_production@msn.com

October 10, 2011

Mr. Guy Arden Cogburn
Mrs. Barbara June Cogburn
109 Utah, Box 81
Walsh, CO 81090

Re: Waiver to Colorado Oil and Gas Commission
Rule 318a. for the proposed Baldwin #2-18
Located 1586' FNL and 2083' FEL of the NE4,
Sec. 18, T32S-R44W, Baca County, Colorado

Dear Mr. and Mrs. Cogburn:

Cholla Production, LLC is asking you to grant a waiver from Colorado Oil and Gas Commission Rule 318a., which states that all wells deeper than 2500 feet in depth shall be located not less than 600 feet from any lease line. You own minerals in the west half of Section 18-T32S-R44W. The above referenced well will be located 564 feet from your minerals in the west half instead of the 600 feet required by the COGCC regulations. Cholla Production, LLC is asking you for a waiver from Rule 318a. so as to drill the well at the referenced location. The reason for the waiver is that the proposed location is specifically sited on a hydrocarbon anomaly mapped by a surface electro-magnetic technique and a surface geochemical survey.

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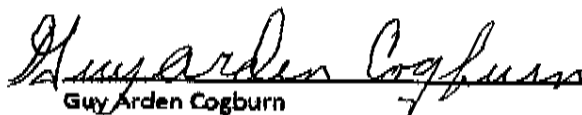
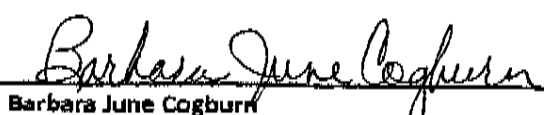
Thank you and please do not hesitate to call with any questions.

Sincerely,



Emily Hundley-Goff
Owner/Manager

I, Guy Arden Cogburn and Barbara June Cogburn, owners of minerals in the west half of Section 18-T32S-R44W in Baca County, Colorado, do hereby consent to granting the waiver for the location for the proposed Baldwin 2-18. I am allowing the proposed well to be located 564 feet from my lease line instead of the 600 feet as required by COGCC Rule 318a.


Guy Arden Cogburn
Barbara June Cogburn

10-11-11
Date