



Kerr-McGee Oil & Gas Onshore LP

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December 20, 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.
CAMP 38C-26HZ well
Township 3 North, Range 66 West
Section 26
Weld County, Colorado

Ladies/Gentlemen:

Kerr-McGee Oil & Gas Onshore LP (KMG) is making application for a drilling permit for the above captioned well. As currently planned, the wellbores of the following wells which are operated by KMG will lie within 150 feet of the horizontal lateral of the captioned well:

CAMP 39N-26HZ
CAMP 39-26

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).

As operator of the above referenced well(s) lying within 150 feet of the wellbore of the above captioned well, KMG respectfully requests the Director to accept this operator approved waiver to Rule 318A.m. to allow the CAMP 38C-26HZ well to be drilled within 150' of the well(s) listed above that are operated by KMG.

Very truly yours,

Kerr-McGee Oil & Gas Onshore LP

A handwritten signature in black ink, appearing to read 'Ashley Cocciolone'.

Ashley Cocciolone
Regulatory Affairs Supervisor