

PETERSON ENERGY
MANAGEMENT INC.



2154 West Eisenhower Boulevard

Loveland, Colorado 80537

970-669-7411

info@petersonenergy.com

www.petersonenergy.com

02/01/12

VIA HAND DELIVERY

Lyster Family Farms, LLC
22727 CR 64
Greeley, CO 80631

RE: Rule 318A(I).a and 318A(I).c Exception Location Waiver

SWD #C4B Well: 1040' FSL, 1924' FEL, Sec. 26 T6N R65W

Gentlemen,

High Sierra Water Services, LLC (HSWS) is applying to the Colorado Oil and Gas Conservation Commission (COGCC) to drill the above referenced well at the described surface location. Colorado Oil and Gas Conservation Commission Rule 318A(I).a stipulates that a Greater Wattenberg Area (GWA) well surface location must be within a 400' by 400' drilling window centered at the center of each quarter-quarter section, or inside a 800' by 800' drilling window centered at the center of each quarter section. The above-described well location falls outside of these windows. Additionally, COGCC Rule 318A(I).c stipulates that a GWA well surface location shall not be less than 50' from an existing well. As planned, these surface locations are greater than 50' from an existing well. Per COGCC Rules HSWS is required to get surface owner approval of this location and a waiver of said Rules 318A(I).a and 318A(I).c. The wells are spotted as above in order to minimize surface disturbance.

Should you find this acceptable please indicate so by signing the below section and returning the signed letter as soon as possible. Please contact the undersigned at 970-669-7411 with any questions.

Sincerely,

Clayton L. Doke
Petroleum Engineer
Peterson Energy Management, Inc.
Consultants to High Sierra Water Services, LLC

I, NORMAN C. LYSTER, officer, agent, or employee of Lyster Family Farms, LLC, surface owner of the above described lands, with full power to execute the following, do hereby approve of the High Sierra Water Services, LLC SWD #C4B well location as listed above on said lands in Section 26 T6N-R65W and grant a waiver COGCC Rule 318A(I).a and 318A(I).c granting that they may drilled as planned.

Signed N. C. Lyster, G.P. this 6 day of Feb, 2012