



Ryan D. Fitzpatrick
Office: (713) 366-5616
Fax: (713) 215-7513
E:mail: ryan_fitzpatrick@oxy.com

February 7, 2012

Shell Frontier Oil and Gas Inc.
4582 S. Ulster St., Room 503
Denver, CO 80237
Attention: Mr. Mark Pippin

Sent by Federal Express

Re: Shell 797-03A Wells
Section 03-T7S-R97W
Garfield County, Colorado

Dear Mr. Pippin:

As a follow-up to my letter dated November 1, 2011, OXY USA WTP LP ("Oxy") has amended the locations for wells to be drilled on the Shell 797-03A Pad.

Oxy requests certain approvals, consents, and waivers from, and that certain elections be made by, Shell Frontier Oil & Gas Inc. and Shell Oil Company (together, "Shell").

Approvals and Consents

1. Pursuant to the terms of Article Twenty in that certain Oil and Gas Lease dated June 1, 2004, between Oxy and Shell, as amended, Oxy does hereby request approval of the locations for the following wells:

Shell 697-34-05; 784' FNL, 1,509' FEL
Shell 697-34-06; 784' FNL, 1,501' FEL
Shell 797-03-08A; 784' FNL, 1,494' FEL
Shell 797-03-08B; 783' FNL, 1,486' FEL
Shell 797-03-13; 785' FNL, 1,524' FEL
Shell 797-03-16; 783' FNL, 1,479' FEL
Shell 797-03-21A; 794' FNL, 1,516' FEL
Shell 797-03-21B; 793' FNL, 1,508' FEL
Shell 797-03-29A; 793' FNL, 1,501' FEL
Shell 797-03-29B; 793' FNL, 1,493' FEL
Shell 797-03-40; 792' FNL, 1,478' FEL
Shell 797-03-05; 785' FNL, 1516' FEL
Shell 797-03-13A; 794' FNL, 1523' FEL
located in Section 03-T7S-R97W, Garfield County, Colorado (the "Wells").

2. Oxy requests that Shell consent, pursuant to Section 7-808 of the Garfield County Unified Land Use Resolution, to Oxy installing temporary employee housing for eight or less individuals in connection with drilling and completion activities related to the Wells.

Waivers

1. In connection with the Wells, Oxy requests that Shell waive the requirement in Article Twenty (20) of the Lease that requires Oxy to submit all proposed locations of well sites to Shell at least twenty (20) days before conducting earth work, or conducting any other activity relating to locating a well on the land and before filing an Application for Permit to Drill, Deepen or Re-enter and Operate with the Colorado Oil and Gas Conservation Commission ("COGCC").

Furthermore, with the granting of this waiver, it is agreed and understood between the parties hereto that State Rules 305 and 306 are waived for the purposes of operations to be conducted related to the above referenced wells.

2. In connection with the Wells, Oxy requests that Shell waive all rights to advance notice, consultation, seek a hearing, extend any comment period, and any other similar right pursuant to current and future practices, procedures, rules, and regulations of the COGCC.

Elections

The Colorado Division of Wildlife ("CDOW") has recommended including certain Conditions of Approval ("COAs") not specifically listed in the COGCC Rules in Oxy's permits for the wells described herein. These additional operating requirements can only be imposed with the surface owner's consent.

Each of the COAs (or parts thereof), that require your prior consent are set forth below, together with "Consent" and "Reject" boxes for you to mark with an "X" as to whether you want the COA incorporated into Oxy's permit for the proposed wells:

- Operator shall comply with the CDOW's Wildlife and Domestic Animal Policy including bear specific guidelines.

☐ Consent

☐ Reject

Please make the above mentioned election, and then forward one executed original of this letter to my attention. Thank you for your consideration in this matter. If you have any questions, please feel free to contact me at the above address.

Sincerely,
OXY USA WTP LP



Ryan D. Fitzpatrick
Land Negotiator
Mid-Continent Business Unit

Enclosure – Wildlife and Domestic Animal Policy

By execution hereof, Shell Frontier Oil & Gas Inc. and Shell Oil Company grant all approvals, consents and waivers requested by Oxy in this letter agreement, as well as make the elections noted above.

Shell Frontier Oil & Gas Inc.

By: _____

Name: _____

Title: _____

Date: _____

Shell Oil Company

By: _____

Name: _____

Title: _____

Date: _____

OXY USA WTP LP
and
OXY USA Inc.

Wildlife and Domestic Animals Policy

- All firearms and hunting paraphernalia are strictly prohibited.
- Employees, contractors, subcontractors, or visitors will not hunt, fish, trap, trade, feed, or harass animals or keep wildlife in captivity.
- Employees, contractors, subcontractors or visitors shall not bring domestic animals to Oxy property.
- All employees, contractors, subcontractors, or visitors shall comply with Colorado Division of Wildlife, and U.S. Fish and Wildlife rules and regulations pertaining to wildlife.
- All employees and visitors shall attend Oxy's Visitor Orientation presentation which includes training for Oxy's Wildlife and Domestic Animals policy.
- Contractors and subcontractors shall read Oxy's Contractor, Health, Environment, and Safety Expectations Handbook, which contains Oxy's wildlife policies. After reading the handbook, all contractors and subcontractors shall sign, date, and return the last sheet of the handbook prior to coming on location.
- All employees, contractors, subcontractors, or visitors shall comply with the following bear specific guidelines:
 - Initiate a food and waste/refuse management program that uses bear-proof food storage containers and trash receptacles, including but not limited to all permanent facilities, drilling locations, temp housing facilities, completions and workover locations.
 - Food and food waste located at temporary job sites shall be kept in the vehicle and only disposed of in bear-proof containers.
 - Report bear conflicts immediately to Oxy HES and/or Regulatory Departments so that it may be reported to CDOW.