



Kerr-McGee Oil & Gas Onshore LP

1099 18th Street, Suite 1800
Denver, CO 80202-1918
P.O. Box 173779
Denver, CO 80217-3779
720-929-6000

March 5, 2012

Department of Natural Resources
Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln St., Suite 801
Denver, CO 80203

Re: **30 Day Certification Letter - 318A-e**
PALYO 35N-W11HZ
Township 2 North, Range 65 West, Section 11: NW/4NW/4
Unit Spacing: 02N-65W-Sec 11 W/2
Weld County, Colorado

Ladies/Gentlemen:

Kerr McGee Oil and Gas Onshore LP ("KMG") hereby certify to the Director that KMG owns one-hundred percent (100%) of the mineral rights in the proposed spacing unit. Therefore, KMG respectfully requests the Director to approve the boundary well.

If you have any questions or issues regarding this permit, please contact Cheryl Light at (720) 929-6461.

Very truly yours,

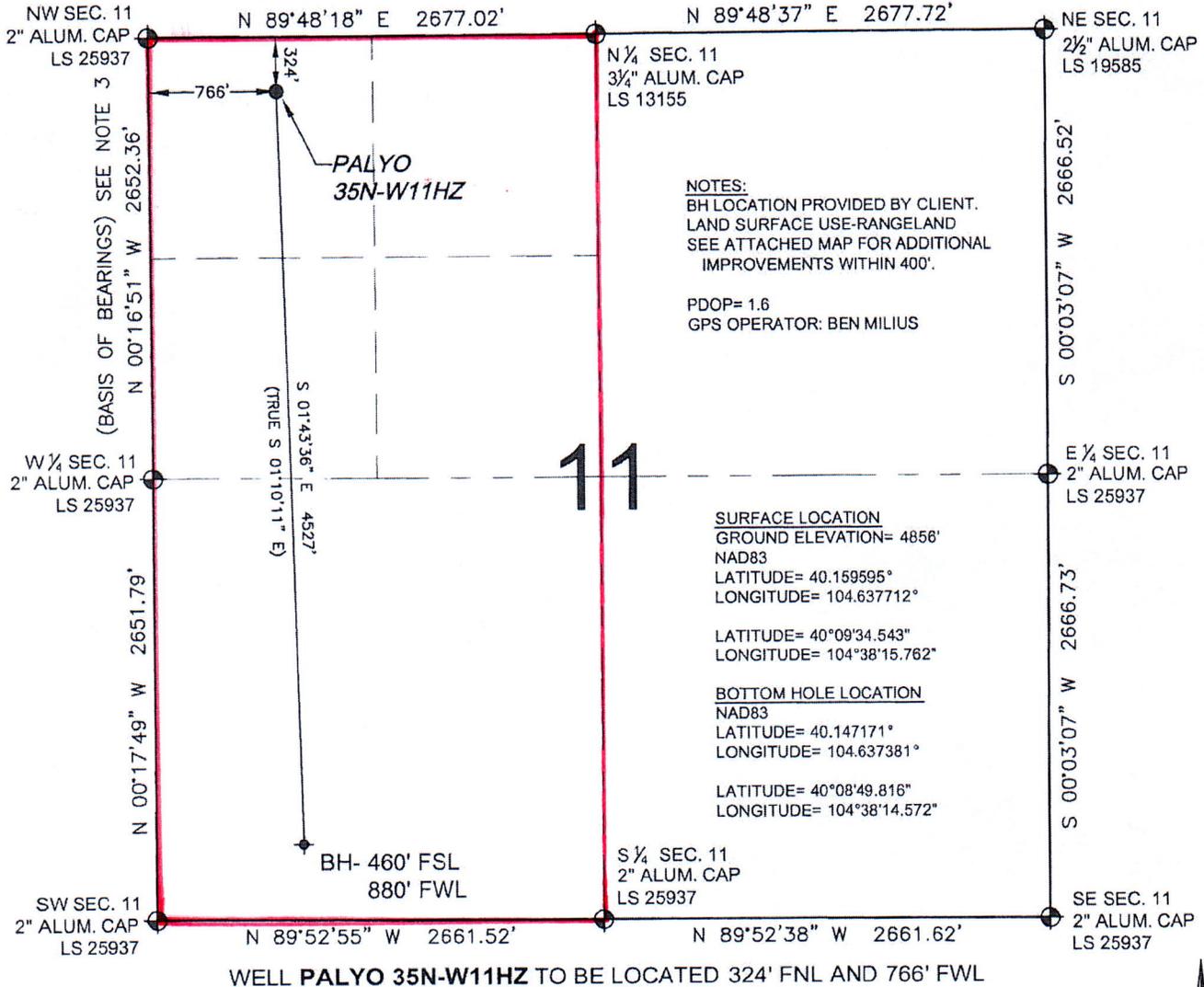
KERR-McGEE OIL AND GAS ONSHORE LP

A handwritten signature in blue ink that reads "Rebecca Heim".

Rebecca Heim
Regulatory Analyst II

WELL LOCATION CERTIFICATE: PALYO 35N-W11HZ

SECTION 11, TOWNSHIP 2 NORTH, RANGE 65 WEST, 6TH P.M.



NOTES:
BH LOCATION PROVIDED BY CLIENT.
LAND SURFACE USE-RANGELAND
SEE ATTACHED MAP FOR ADDITIONAL
IMPROVEMENTS WITHIN 400'.

PDOP= 1.6
GPS OPERATOR: BEN MILIUS

SURFACE LOCATION
GROUND ELEVATION= 4856'
NAD83
LATITUDE= 40.159595°
LONGITUDE= 104.637712°

LATITUDE= 40°09'34.543"
LONGITUDE= 104°38'15.762"

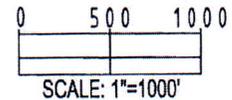
BOTTOM HOLE LOCATION
NAD83
LATITUDE= 40.147171°
LONGITUDE= 104.637381°

LATITUDE= 40°08'49.816"
LONGITUDE= 104°38'14.572"

WELL PALYO 35N-W11HZ TO BE LOCATED 324' FNL AND 766' FWL

LEGEND

- ⊕ = EXISTING MONUMENT
- ⬠ = PROPOSED WELL
- ⬠ = BOTTOM HOLE
- ⬠ = EXISTING WELL
- BH = BOTTOM HOLE



NOTES:

1. THIS FIELD SURVEY CONFORMS TO THE MINIMUM STANDARDS SET BY THE C.O.G.C.C., RULE NO. 215
2. HORIZONTAL POSITIONS AND ORTHOMETRIC ELEVATIONS SHOWN AT THE WELL HEAD, ARE BASED ON GPS-RTK POSITIONS DERIVED FROM MINIMUM 2-HOUR STATIC OBSERVATIONS CORRECTED BY THE NATIONAL GEODETIC SURVEY ONLINE POSITIONING USER SERVICE, O.P.U.S. DATUM: HORIZONTAL = NAD83/2007, VERTICAL = NAVD88
3. THE BASIS OF BEARINGS ARE STATE PLANE COORDINATE SYSTEM GRID BEARINGS SHOWN HEREON BETWEEN THE DESCRIBED THE MONUMENTS SHOWN HEREON.
4. GRID DISTANCES ARE SHOWN, AS MEASURED IN THE FIELD, WITH TIES TO WELLS MEASURED PERPENDICULAR TO SECTION LINES.

I, L. KELLEY STEVENSON, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE OF COLORADO DO HEREBY CERTIFY TO **KERR-MCGEE OIL & GAS ONSHORE LP**, THAT THE SURVEY AND WELL LOCATION CERTIFICATE SHOWN HEREON WERE DONE BY ME OR UNDER MY DIRECT SUPERVISION AND THAT THE DRAWING SHOWN HEREON ACCURATELY DEPICTS THE PROPOSED LOCATION OF THE WELL. THIS CERTIFICATE DOES NOT REPRESENT A LAND SURVEY PLAT OR IMPROVEMENT SURVEY PLAT AS DEFINED BY C.R.S. 38-51-102 AND CANNOT BE RELIED UPON TO DETERMINE OWNERSHIP.

L. KELLEY STEVENSON, PLS 38231
COLORADO LICENSED PROFESSIONAL LAND SURVEYOR
FOR AND ON BEHALF OF P.F.S., LLC



| | | |
|---|---------------------------|---|
| PREPARED BY: PFS Petroleum Field Services, LLC 1801 W. 13th Ave. Denver, CO 80204 | FIELD DATE: 12-01-11 | SURFACE LOCATION: NW 1/4 NW 1/4, SEC. 11, T2N, R65W, 6TH P.M. |
| | DRAWING DATE: 12-08-11 | BY: SMF |

NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THIS SAID DATE OF THIS CERTIFICATION SHOWN HEREON.