

June 5, 2012

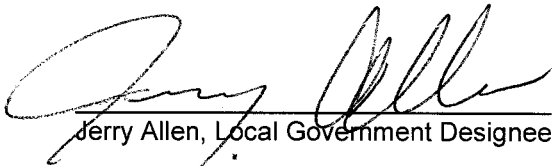
Jerry Allen  
Cheyenne County  
P.O. Box 567  
Cheyenne Wells, CO 80810

Re: Waiver by Local Government Designee  
Well: Belford 24-17  
Location: 686' FSL, 1605' FWL  
Township 13 South North, Range 47 West, of the 6<sup>th</sup> P.M.  
Section 17: SE ¼ SW ¼  
Cheyenne County, Colorado

I am the Local Government Designee for the above captioned lands, including 40 acres m/l. I acknowledge that I have been consulted as to the proposed well site for the Belford 24-17 well, which is 686' FSL, 1605' FWL, on said lands.

I agree to waive all rights, as Local Government Designee, with regard to Notices, Comment Periods, Consultations and Appeal of a Decision of Approval, specifically as they relate to the Application for Permit-to-Drill, provided for under Colorado Oil Gas Conservation Commission Rules 305 and 306. It is understood that this waiver includes the waiver of my right to request notification of the Colorado Department of Public Health and Environment.

This Agreement and Waiver is executed this 7<sup>th</sup> day of June, 2012, to be effective the date first above written.

  
Jerry Allen, Local Government Designee