



June 20, 2012

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

Re: Operator Request Letter to Rule 318A.m.
COOK 37N-E3HZ
Township 2N North, Range 65 West
Section 10: SW/4SE/4
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 wellbore(s) of the following well(s) will lie within 150 feet of the horizontal lateral of the captioned well:

1. 05-123-07905 Dowdy 1 Peterson Energy Operating, Inc.

Prior to drilling operations, Operator will perform an anti-collision review of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision review may include MWD or gyro surveys and surface locations of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision review results indicate that the risk of collision is sufficiently low as defined by the anti-collision plan, with separation factors greater than 1.5, or if the risk of collision has been mitigated through other means including shutting in wells, plugging wells, increased drilling fluid in the event of lost returns or as is appropriate for the specific situation. In the event of an increased risk of collision, that risk will be mitigated to prevent harm to people, the environment or property. For the proposed well, upon conclusion of drilling operations, an as-constructed directional survey will be submitted to COGCC with the Form 5.

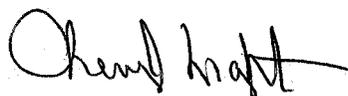
Rule 318A.m of the Colorado Oil and Gas Commission's Rules and Regulations does not allow horizontal wells to be drilled within 150' of other wells unless this requirement is waived

by the Operator of the encroached upon well(s). Signed written waiver(s) of the encroached upon well(s) are attached to the APD.

KMG respectfully requests the Director to accept this Operator Request Letter to allow the above referenced well to be drilled within 150' of the well(s) listed above.

Very truly yours,

Kerr-McGee Oil & Gas Onshore LP

A handwritten signature in black ink, appearing to read "Cheryl Light", with a long horizontal flourish extending to the right.

Cheryl Light
Senior Regulatory Analyst



KERR-MCGEE OIL & GAS ONSHORE LP
10000 W. WYOMING ST.
DENVER, CO 80231
PHONE: 303.733.7777
FAX: 303.733.4000

April 10, 2012

Via Certified Mail

Peterson Energy Operating, Inc.
ATTN: Andy Peterson, President
2154 W. Eisenhower Blvd.
Loveland, CO 80537

Re: Cook 37N-E3HZ
Township 2 North, Range 65 West, 6th P.M.
Section 10: E/2
Section 3: S/2SE/4
Weld County, Colorado

Dear Mr. Peterson:

We are in receipt of your letter dated April 4, 2012 wherein the 150' waiver notice was sent to "Peterson Energy Management, Inc." inadvertently. Thank you for notifying our office of the correct corporate entity name and address.

Kerr-McGee Oil & Gas Onshore LP is applying for a permit to drill the captioned horizontal well. Pursuant to Rule 318A.m, the COGCC requires that operators proposing horizontal wells obtain waivers from operators of wells within 150 feet of the proposed horizontal wellbore.

As currently planned, the wellbores of the following well(s) which are operated by Peterson Energy Operating, Inc. lie within 150 feet of the horizontal lateral of the captioned well:

- Dowdy 1

If Peterson Energy Operating, Inc. is in agreement to waive Rule 318A.m., please sign in the space provided below and return one original copy to the undersigned.

KERR-MCGEE OIL & GAS ONSHORE LP
A wholly owned subsidiary of Anadarko Petroleum Corporation

Sincerely,

Katie Baker
Landman

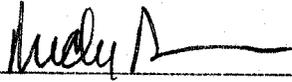
KB/jv

Enclosure: Survey Plat

Cook 37N-E3HZ
Rule 318A.m. 150' Waiver
04/10/2012
Page 2

As operator of the above referenced well(s) lying within 150 feet of the wellbore of the above captioned well, Peterson Energy Operating, Inc. hereby waives the one hundred and fifty foot (150') minimum intrawell distance as specified in COGCC Rule 318A.m.

Accepted and agreed to this 11 day of APRIL, 2012.



By: Andy Peterson

Title: President