



June 26, 2012

CERTIFIED MAIL

Cannon Farming Company
3575 Cherry Creek North Drive
Denver, CO 80209

Re: Notice of Intent to Conduct Surface Operations (Facilities)
CANNON 16N-3HZ TANK BATTERY
Township 2N, Range 65W, Section 03: NWNE
Weld County, Colorado

Ladies and Gentlemen:

The Colorado Oil and Gas Conservation Commission ("COGCC") has adopted guidelines and procedures regarding oil and gas activities affecting the surface. These rules stipulate that an affected surface owner must be given advance notice in writing by an operator at least thirty (30) days prior to drilling an oil and gas well.

Kerr-McGee Oil and Gas Onshore LP ("KMG") intends to begin operations to drill the above captioned oil and gas well(s) upon approval of title, receipt of permits from the COGCC prior to February 28, 2013. As the surface owner, it is your responsibility to notify the tenant farmer, if applicable, of this proposed operation.

A site diagram of the proposed location of the well and any associated roads and production facilities is enclosed. Should you have any questions and/or concerns, please contact me at (303) 655-4350 or my cell at (970) 590-6249.

Very truly yours,
KERR-McGEE OIL AND GAS ONSHORE LP

A handwritten signature in black ink, appearing to read 'David Bell', written over a horizontal line.

David Bell
Landman

I/we waive the 30 day notice referenced above and approve of the operations commencing upon KMG's receipt of the drilling permit.

:cl
Enclosure