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July 2, 2012

Thom Kerr
Acting Director
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80202

Re: Presentation of Beren Lindon/Bison field work schedule addressing renovation of
skimming equipment

Dear Thom:

Foremost, on behalf of Beren Corporation ("Beren") I'd like to thank you for meeting with me at your offices last week to discuss a path forward for Beren's operations in eastern Colorado as it pertains to open enforcement matters. The purpose of this letter is to provide the Colorado Oil and Gas Conservation Commission ("COGCC" or "Commission") staff with Beren's field work schedule for the Lindon/Bison area, and to provide a brief recap of our meeting.

From our meeting, it is my understanding that the COGCC staff is generally impressed with Beren's level of cooperation and plans regarding the modification of existing skim pits on its leases. Staff is requiring that Beren devise a written schedule, which may be modified as necessary, with an anticipated timeline describing certain tangible milestones for this program.

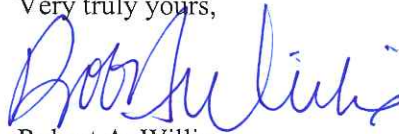
Additionally, it is my understanding that the COGCC staff is pleased with the work performed by Beren in remediating certain contaminated areas at the Cook lease. You indicated the fact the primary area of contamination from the spill/release has been successfully remediated by Beren's affirmative action takes this matter out of the time sensitive category and, as such, staff will not oppose continuation of the enforcement action to the August Commission hearing or later; provided Beren timely provides a schedule on renovation of the unlined skim pits.

Accordingly, please refer to the enclosed "Beren Corporation Lindon/Bison Field Work Schedule". Beren feels it will be appropriate for the COGCC staff and the Commission to give certain consideration to Beren in recognition of its unilateral offer to close the skim pits and implement alternative skimming equipment under the aggressive schedule of work which has been proposed, wherein significant expenses would be incurred, which would include: reconsidering the imposition of monetary penalties so long as Beren continues to work in good faith on the abatement schedule; closing out the NOAV on the Cook lease based on the successful remediation of the spill/release area; closing out the NOAV on the Loudder lease following completion of the proposed remediation work; and meeting Beren halfway in a spirit of cooperation on proposed and other future field work in acknowledgement that Beren is making a concerted effort to go above and beyond to upgrade the equipment and condition of its leases.

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Beren looks forward to continuing its working relationship with the COGCC staff as it assesses Beren's field operations. Please feel free to contact Rodney Reynolds directly to discuss any additional concerns you might have on the leases referenced above or any other Beren-operated facility.

Very truly yours,



Robert A. Willis

Enclosure

Beren Corporation Lindon/Bison Field Work Schedule

June 22, 2012

Beren Corporation Lindon/Bison Field Work Schedule

Washington County, Colorado

- 1) Complete ground water assessment on Loudder lease and receive all completed testing results. Field work including drilling monitor wells and collection of samples was completed June 21, 2012. Est completion date for lab work and final report preparation: prior to July 15, 2012.
- 2) File plugging application for Cook 1X. Est completion date: July 15, 2012.
- 3) Upon completion of Loudder groundwater assessment with satisfactory results, modify Loudder lease existing skimming system to eliminate use of existing unlined skim pit. Complete installation of fiberglass skim tank in place of unlined skim pit and cease use of unlined skim pits on Loudder lease. Plan to have onsite meeting of Rodney Reynolds, Diana Burn and John Axelson to review and inspect work completed. Est completion date: September 1, 2012.
- 4) Modify Scott lease existing skimming system to eliminate use of existing unlined skim pit. Complete installation of fiberglass skim tank in place of unlined skim pit and cease use of unlined skim pit on Scott leases. Est completion date: October 1, 2012.
- 5) Modify Wright leases existing skimming system to eliminate use of existing unlined skim pit. Complete installation of fiberglass skim tank in place of unlined skim pit and cease use of unlined skim pit on Wright leases. Est completion date: November 1, 2012.
- 6) Plug and abandon Cook #1X wellbore. Est completion date: November 1, 2012.
- 7) Remediate unlined skim pits that were removed from service on Loudder, Scott and Wright leases. Excavate and land farm with approved remediation plan from COGCC. Est completion date: summer 2013 for excavation and land farming. Est pit closure date: summer 2014.
- 8) Remediate all pits, well and tank battery site for Cook 1X lease. Excavate and land farm with approved remediation plan from COGCC. Est completion date: summer 2013 for excavation and land farming. Est pit closure date: summer 2014.