

Colorado State Land Board  
1127 Sherman Street, Ste 300  
Denver, CO 80203

Colorado Oil & Gas Conservation Commission  
Mr. Matt Lepore, Director  
1120 Lincoln Street  
Suite 801  
Denver, Colorado 80203

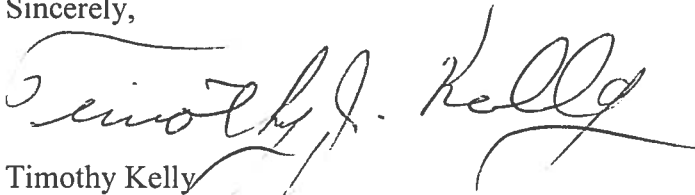
Re: Exception Location Consent Letter  
Pink Lady #1  
1505' FNL, 476' FWL, Section 31, 12S, 45W, 6th PM  
Cheyenne County, Colorado

Gentlemen:

The State Land Board, as Lessor and mineral owner of the adjacent Section 36, Township 12 South, Range 46 West, 6th PM (Section 36), in Cheyenne County, Colorado does hereby support the petition of Pronghorn Operating LLC (Pronghorn) to drill the Pink Lady #1 at the proposed exception location.

Prior drilling operations in Section 36 of the Red Lady #1-36 wellbore have made a discovery in the Shawnee formation. Section 36 is currently under lease to Vecta Oil and Gas Ltd; said company is in partnership with Pronghorn Operating, LLC. The interpretation of seismic data indicates a prospective well at the proposed location. As the Colorado State Land Board's correlative rights are protected through a Communitization Agreement the State Land Board does hereby support Pronghorn's petition to drill the Pink Lady #1 at the proposed location.

Sincerely,



Timothy Kelly

~~Minerals Manager~~, MINERALS LEASING MANAGER  
Colorado State Land Board