



April 23, 2013

Cert Mail: 7009 1680 0000 5174 4851

Stanbert E. Clay & Alice A. Clay
36470 County Road 39
Hugo, CO 80821

RE: Rule 305e Notification & Request for Consultation per Rule 306
Tornado 12-53-8-2 well

Township 12 South, Range 53 West, 6th P.M.
Section 8: NW/4NE/4

Lincoln County, Colorado

Dear Mr. and Mrs. Clay,

Thank you very much for meeting with Derek and I last Friday. We both enjoyed the visit. As I mentioned during our meeting Pine Ridge Oil & Gas is in the process of permitting Oil/Gas well locations. One of the locations is on the lands described above. We hold an oil and gas lease covering these lands. Rule 305e of the COGCC requires that we supply the surface owner, or their representative, with proper notification and an offer for on-site consultation prior to our well operations. Under the terms of the oil and gas lease, we have the right to conduct drilling operations.

Enclosed you will also find several informative documents: a COGCC brochure titled "*OIL AND GAS WELL NOTIFICATION, CONSULTATION, AND RECLAMATION RULES*" (a summary of the rights and obligations of the Operator and Surface Owner under the COGCC Rules relating to the surface lands of a drill site); "*Surface Owner / LGD Involvement in COGCC Processes*" (a flow chart of the above processes); a copy of the "*COGCC Policy for Onsite Inspections*" (explains the procedures for Inspections on land where no Surface Use Agreement is available).

Pursuant to Rule 306 of the Colorado Oil and Gas Conservation Commission ("COGCC"), Pine Ridge hereby extends an offer to consult with you to discuss our well locations. We request you indicate below by checking the appropriate box and signing in the space provided whether you wish to have such a consultation meeting or to waive such a consultation; and that you return this letter in the enclosed envelope. Should you indicate that you wish to have the consultation, we will follow-up to schedule a convenient time. Should you wish to meet with us, we would like to do so as soon as possible. We can discuss details as soon as we have the on-sight meeting or receive your waiver.

Our goal is to accomplish our drilling at a mutually agreeable location and in a cooperative manner. If you have any questions, please contact me by whatever means most convenient to you. I sincerely hope to start working with you on Surface Use Agreements for the wells and welcome any opportunity to meet with you.

Best regards,

Carl A. Boecher
Senior Landman

☒ SURFACE OWNER(S) hereby **requests** consultation on the proposed above captioned location.
Please indicate a time and date that would be most convenient for you or contact us to make arrangements.

☐ SURFACE OWNER(S) hereby **waives** the consultation requirements of COGCC Rule 306.

By: Alice A. Clay
Bert Clay or Alice Clay

Date: 4-27-13

attachments