

FINNEY LAND CO.

OIL & GAS CONSULTING

P.O. BOX 2471
DURANGO, CO 81302
PHONE: (970) 259-5691 FAX (970) 259-4279

McMinn & Foutz, LLC
C/O Matthew Foutz
5115 CR 309A
Ignacio, CO. 81137

4-16-13

Re: Waiver of Sec. 90-122 (2).
Land Use Coordination Standards
La Plata County Land Use Regulations
IGE 140 Well
T33N-R8W Sec. 17: SW/4SW/4
La Plata County, Colorado

Dear Mr. Foutz,

Elm Ridge Exploration Co., LLC (Elm Ridge) is proposing to drill the above referenced well on a tract of land owned by Roger and Mary Porterfield. At Mr. and Mrs. Porterfield's request and in accordance with Colorado Oil and Gas Conservation Commission regulations, Elm Ridge has staked the proposed well on an existing well pad which lies South of the common boundary of your respective tracts.

The "Land Use Coordination Standards" of the La Plata County Land Use Regulations state the following:

Sec. 90-122. Land use coordination standards.

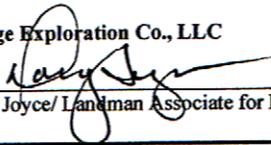
(2) A setback of at least 150 feet shall be required between the wellhead of a minor facility and the closest property line, unless verified written consent is obtained from the affected property owner.

Due to the orientation of the existing well pad and existing above ground facilities, this places the wellhead 113 feet from your South property line. Elm Ridge is requesting a waiver from you of the aforementioned Land Use Regulation code/section Sec. 90-122, Item #2 as pertains to the location of the aforementioned well location.

Thank you for your courtesy and cooperation.

Sincerely,

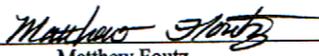
Elm Ridge Exploration Co., LLC

By: 
Doug Joyce/ Landman Associate for Finney Land Co., Agent

Waiver of "Land Use Coordination Standards" of the La Plata County Land Use Regulations Code Sec. 90-122 (2) for the IGE 140 well located in T33N-R8W Sec. 17:SW/4SW/4, La Plata County, Colorado.

McMinn & Foutz, LLC

Dated 4/22/13

By: 
Matthew Foutz

PRESIDENT
(Title)