

FINNEY LAND CO.
OIL & GAS CONSULTING
P.O. BOX 2471
DURANGO, CO 81302
PHONE (970) 259-5691
FAX (970) 259-4279

April 10, 2013

Roger A. Porterfield and Mary F. Porterfield
3599 CR318
Ignacio, CO 81137
Re: IGE 140 Well
1205' FSL & 1073' FWL
Township 33 North, Range 8 West, NMPM Section 17: SW/4SW/4

Dear Mr. and Mrs. Porterfield,

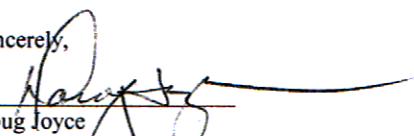
Elm Ridge Exploration Company, LLC., is proposing to drill the above referenced well on a tract owned by you as set out in that certain Surface Damage Agreement & Release between yourselves and Elm Ridge Exploration Company, LLC., dated October 23, 2009. In order to locate the well as close as possible to the desired location, Elm Ridge Exploration Company, LLC., must drill the well on an existing wellpad in La Plata County and has staked the well location closer than 400 feet from your residence.

I am including a copy of a previous distance waiver that you signed dated October 23, 2009. Since the well wasn't drilled and we are re-permitting with La Plata County, we would like to update this waiver.

Your signatures to this letter will constitute an acknowledgment that the well will be located closer than 400 feet from your existing residence in La Plata County, Colorado.

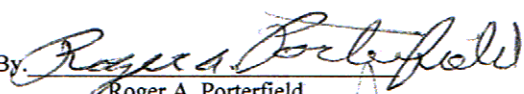
Thank you for your courtesy and cooperation.

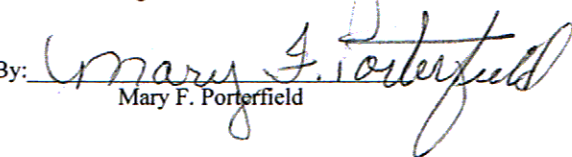
Sincerely,


Doug Joyce
Landman/Associate
Finney Land Co., Agent for Elm Ridge Exploration Company, LLC.

Waiver of 400 foot location setback and acknowledgment of location within 400 feet from your existing residence for the IGE 140 Well in La Plata County, Colorado.

Dated 4/22/2013

By: 
Roger A. Porterfield

By: 
Mary F. Porterfield