

FINNEY LAND CO.

OIL & GAS CONSULTING

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

Betty J. Hall Speelman
1275 CR 311
Ignacio, CO. 81137

9-12-2013

Re: Waiver of 150' setback requirement under COGCC Rule 603. (2) and La Plata County 90-122 (b) 2
IGE 127 Well
T33N-R8W Sec. 8: SE/4SE/4
La Plata County, Colorado

Dear Ms. Speelman

Elm Ridge Exploration Co., LLC (Elm Ridge) is proposing to drill the above referenced well on a tract of land owned by James Trent and Esther Marie Burton. In order to minimize surface damages, Elm Ridge has staked the proposed well approximately seventy eight feet (78') south of your property line.

The Colorado Oil and Gas Conservation Commission, under Rule 603. (2) requires that a well be located no closer than 150' from an adjacent property boundary.

Sec. 90-122 of the "Land Use Coordination Standards" of the La Plata County Land Use Regulations states the following:

(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.

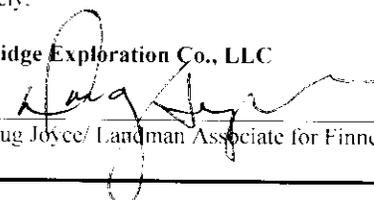
If a well is closer than 150 feet from a property line, then a waiver must be obtained from the adjacent landowner. Since Elm Ridge did not drill the well in 2007 and is filing for a new permit they are requesting you grant this waiver to the COGCC and La Plata County boundary regulations.

I am enclosing a copy of the waiver that you signed dated June 25, 2007 regarding this issue. If you are agreeable to granting this waiver, please acknowledge your acceptance by signing in the space provided below.

Thank you for your courtesy and cooperation.

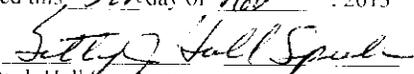
Sincerely,

Elm Ridge Exploration Co., LLC

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

I hereby grant a waiver of the 150 foot property boundary rule as required by the COGCC and La Plata County for the Elm Ridge Exploration Co., IGE 127 well.

Dated this 5th day of Nov, 2013


Betty J. Hall Speelman