



Upstream

Petroleum Management, Inc.

7000 S. Yosemite St., Suite 290B
Englewood, CO 80112
phone 303.942.0506
www.upstreampm.com

Mr. Lyle Sharp
Sharp AC Land LLC
9378 S. Star Hill Cir.
Lone Tree, CO 80124

December 30, 2013

RE: Application for Permit to Drill: Exception Location Request
Ward Petroleum Corporation
Sharp 24-3-11HC
SHL: 250' FSL 190' FWL
BHL: ±460' FNL ±880' FWL
Sec. 24 T1S R67W
Adams County, Colorado
Surface: Fee
Mineral Lease: Fee

Dear Mr. Sharp:

Ward Petroleum Corporation (Ward) hereby requests the Colorado Oil and Gas Conservation Commission (COGCC) Director's approval for a surface location exception waiver for the above referenced wells. The wells do not conform to the COGCC Rule 318A(a), pertaining to the Application for Permit to Drill (APD), for statewide spacing requirements due to the agreement between yourself and Ward.

COGCC Rule 318A(I) concerning the Greater Wattenberg Area states that a well must be located in "a square with sides four hundred (400) feet in length, the center of which is the center of any governmental quarter-quarter section ("400' window")". The above referenced well is located 250' from the South line and 190' from the West line of the section due to your preference which violates COGCC Rule 318A(a).

By approving this matter, we anticipate COGCC granting Ward a location exception waiver to Rule 318A(a), allowing the location to be outside the COGCC Greater Wattenberg Area spacing rules.

Please contact Andrea Gross at 303-942-0506 or at agross@upstreampm.com, respectively, if you have any questions.

Sincerely,

Andrea Gross
Permit Agent for Ward Petroleum Corporation

AJG:ajg

By signing below, you acknowledge the agreed upon surface location of the well location as staked.

Sign:
Mr. Lyle Sharp – Representative for Sharp AC Land LLC

Date: 1/5/14

Your Assets / Our Expertise

- Regulatory
- Storm-water Management Plans
- Project Coordination
- Permitting
- Government Relations
- EA/EIS Assistance