

March 18, 2014

Mr. Matt Lepore, Director
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

RE: Well exception location request to COGCC Rule 318.a

Dear Director Lepore,

Carmony Exploration LLC respectfully requests an exception from COGCC Rule 318.a for the location of a proposed well which will be less than 600 feet from an adjoining Federal mineral lease. The location of the proposed Duncan Ranch well (Duncan Ranch 11-89-36 #3-4) is on private surface and private minerals leased by Carmony Exploration LLC (Carmony). The well pad location was determined after consultation with the surface (and mineral) owner who requested the well pad be located slightly over a ridge line and behind a stand of trees to hide it from view. Form 2 (Document #400443819) and Form 2A (document #400443835) have been submitted and are being processed by the COGCC.

The proposed Duncan Ranch well will be vertical and is located 217 feet from the west line of a Federal mineral lease in the southwest quarter of Section 36. The subject Federal mineral lease is also held by Carmony. The BLM Little Snake Field Office has approved of the proposed Duncan Ranch well location and a copy of the written approval has been forwarded to COGCC. Carmony requests approval by the Director to locate the well as proposed.

Thank you for your time and consideration. If you have any questions please contact John Carmony (303/604-6618, jcar75@msn.com) or Rick Obernolte (303/660-9633, rickerbe1@aol.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Obernolte", with a long horizontal flourish extending to the right.

Rick Obernolte