



Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

Attention: Mr. Matt Lepore

Re: Exception Location Request
McCall 33-09 1N46W
2343 feet FSL and 2444 feet FEL
of Section 9, Township 1 North,
Range 46 West, 6th PM, NWSE/4
Yuma County, Colorado

Dear Mr. Lepore:

Per COGCC rule 318c, we would like to request an exception location waiver for the drilling of the above referenced well. The proposed well falls under WLR Rule 318B, which does not allow a well to be less than 300 feet from the boundary of said quarter section. The proposed well (if successful) would fall approximately 333' south of the Northeast quarter section line and approximately 180' east of the Southwest quarter section line.

Due to a fault running through the Niobrara formation from the NESW/4, to the SWNE/4 Augustus Energy is unable to move this proposed well to a legal location due to the risk of drilling a sub economic well or dry hole.

The proposed location (McCall 33-09 1N46W) and the existing location (McCall 23-09 1N46W) are 100% mineral owned by David and Peggy McCall. Augustus Energy Partners, LLC and Noble Energy, Inc. entered into an operating agreement dated August 1, 2011, pooling the Southwest quarter of Section 9 T1N-R46W.

A written waiver for this location has been requested and received from Mr. & Mrs. McCall, as well as, Foundation Energy. Both waivers are attached for your review.

If you have any questions or require additional information please do not hesitate to contact us.

Best Regards,

Augustus Energy Resources LLC

Loni J. Davis
Operations Accounting and Regulatory Specialist

cc: AEP Well File