



MURFIN
DRILLING
CO., INC.



CONTRACTORS AND PRODUCERS

Rec'd 12-21-15

October 26, 2015

To: Earl Tanner
P.O. Box 39
Campo, CO 81029

Re: Well LDSU 401, API 05-009-06515
Located NE NW Section 12, Township 35 South, Range 46 West, Baca, CO
New Final Reclamation Agreement

Dear Mr. Tanner

The COGCC contacted me today to inform me that my July 10, 2015 reclamation letter to you was inadequate. The COGCC has added new requirements which can be found in the enclosed COGCC's guidance document concerning Rule 1001.c: Reclamation Variances and Waivers.

This document will be a new Final Reclamation Agreement. The COGCC will not approve a reclamation variance and waiver unless you agree to the following.

1. You, the surface owner, are waiving Murfin Drilling Company's obligation to perform final reclamation of the access road. The road starts at County Road C 3/10 and traverses almost straight west to the LDSU 401 well site (see attached satellite photo). The road that traverses from the ranch house/improvements to the northwest corner of the well site is an established ranch road and not a part of the oil and gas facilities, thus, is not subject to a waiver of reclamation.
2. The reason for waiving the reclamation of the access road is to keep better access to the ranch and ranch house/improvements from County Road C 3/10. It is obvious from reviewing the satellite photo that reclaiming the access road would preclude easy access to the ranch house/improvements.
3. You, the surface owner, acknowledges that the access road is in satisfactory condition.

MURFIN DRILLING COMPANY

4. You, the surface owner, acknowledges that:

- a. All active portions of the oil and gas location and all oil and gas operations remain under the jurisdiction of the Colorado Oil and Gas Conservation Commission; and
- b. The surface owner may not impede ingress to or egress from the active oil and gas location or interfere with the safe conduct of oil and gas operations on the location.

The location will remain active until it is stabilized and inspected and approved by the COGCC.

5. You, the surface owner, waives all reclamation protections otherwise afforded by the specified provisions of Rule 1004.
6. To date, the well has been plugged and abandoned, all equipment has been removed, gravel has been removed from the well and tank battery sites, the location has been leveled/contoured. The location is ready to have top soil spread on it and grass seed sowed. Murfin understands you have top soil available to use. Grass seed mix will be per the recommendation of the U. S. Forest Service which manages the adjacent Comanche National Grasslands, unless instructed otherwise. Murfin plans on sowing grass seed in the early spring of 2016. Weeds will be controlled by spraying herbicide.

If you agree to the above items 1. through 6. please sign and date below and return in the self-addressed envelope.

Please don't hesitate to contact me at 316-858-8695 if you have any questions.

Best Regards



Tom Melland

Production Engineer

316-858-8695

Signed by Earl Tanner

Earl Tanner

Date 11/5/2015

Cc: Fred Tanner, P.O. Box 9, Campo, CO 81029

James Esquivel

Enclosures: 1)Signed reclamation agreement dated July 17, 2015; 2)COGCC Operator Guidance Rule 1001.c: Reclamation Variances and Waivers; 3)Rule 1004; 4)satellite photo of area of interest.