

**GRAND
MESA**

OPERATING COMPANY

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WICHITA, KANSAS 67206-5514

February 1, 2016

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

Re: Big Jake #1-18 Well SW/4 18-5S-53W
Washington County, Colorado

Dear Mr. Lepore:

The proposed well site for the Big Jake #1-8 Well is located 115 feet south of the property line shared by the NW/4 and the SW/4 of Section 8 Township 5S, Range 53W (2525 feet FSL and 1,647 feet FWL). Nelson R. Brent owns the surface rights under the SW/4 of Section 18 and Margaret Mikkelson owns the surface rights under the NW/4 of Section 18-5S-53W and both parties have leased these lands to Grand Mesa Operating Company (GMOC), as Lessee, under Oil and Gas Leases dated December 1, 2015, and April 14, 2011, respectively. GMOC conducted seismic operations over these lands and the proposed location of this well is in the best interest of both parties to give the highest degree of success in locating oil and/or gas in producing quantities on these lands.

Margaret Mikkelson has signed the attached Waiver, waiving the 150 feet from a property line requirement in Rule 603.a.(2) of the Colorado Oil and Gas Conservation Commission rules.

An exception to the 150 feet from a property line rule is hereby requested for the drilling of the Big Jake #1-18 Well in the SW/4 of 18-5S-53W, Washington County, Colorado.

Very truly yours,

GRAND MESA OPERATING COMPANY



Michael J. Reilly
President

MJR:mfc

Enclosure