



UPSTREAM

Petroleum Management, Inc.

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Englewood, CO 80112
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Bureau of Land Management
Kremmling Field Office
Ms. Kelly Elliot
2103 East Park Avenue
Kremmling, CO 80459

July 3, 2017

RE: Rule 603.a.(2) Exception Location Waiver
SandRidge Exploration & Production, LLC
Beaver Creek 0881 1-3H34
Document Number: 401330327
SHL: 388' FNL 2,524' FEL (NW/4 NE/4)
Sec. 10 T7N R81W
BHL: ±100' FNL ±330' FEL (NE/4 NE/4)
Sec. 34 T8N R81W
Jackson County, Colorado
Surface: Fee
SH Mineral Lease: Fee
Through Federal Mineral Lease: COC76486
BH Mineral Lease: Fee

Dear Ms. Elliot:

SandRidge Exploration & Production, LLC (SandRidge) intends to apply to the Colorado Oil and Gas Conservation Commission (COGCC) to drill the above referenced well at the described surface location. COGCC Rule 603.a.(2) stipulates that "A well shall be located not less than one hundred fifty (150) feet from a surface property line." This well is less than the required 150 foot setback from the surface property line. As you are aware, the surface locations were chosen in concurrence with SandRidge, the private surface owner, and the Bureau of Land Management (BLM) who is the offset surface owner. The location was staked and agreed upon by all three (3) parties due to location limitations.

Per COGCC Rules, SandRidge is required to obtain the offset surface owner approval of this location as they do not conform to COGCC Rule 603.a.(2). Should you find this location exception acceptable, please sign the space provided below.

By approving this matter, we anticipate COGCC granting SandRidge a location exception waiver to COGCC Rule 603.a.(2) allowing the location to be less than 150 feet to the property line.

Please contact me at 303942-0506 or at krodell@upstreampm.com if you have any questions.

Sincerely,

Kimberly J. Rodell
Permit Agent for SandRidge Exploration & Production, LLC

Your Assets / Our Expertise

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

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By signing below, you acknowledge the agreed upon surface location of the well locations as staked and grant the waiver to COGCC Rule 603.a.(2) granting that this well be drilled as planned.

Sign: _____

Kelly Elliott

Date: _____

7/3/17

By: _____

Kelly Elliot