



January 8, 2018

Cannon Land Company
3333 South Wadsworth Blvd.
Suite D-208
Lakewood, CO 80227

RE: Twinning Location Exception – Waiver Rule 318A.c.(2)
Out of Window Waiver Exception – Waiver Rule 318A.a.(2)
Davis 9H-G266 pad (17 Wells)

<u>Well Name</u>	<u>Surface Hole From North Line</u>	<u>Surface Hole From East Line</u>
Davis 1D-9H-G266	1908'	1392'
Davis 1E-9H-G266	1917'	1397'
Davis 1F-9H-G266	1926'	1403'
Davis 1G-9H-G266	1934'	1408'
Davis 1H-9H-G266	1943'	1413'
Davis 1I-9H-G266	1952'	1418'
Davis 1J-9H-G266	1961'	1423'
Davis 1K-9H-G266	1969'	1428'
Davis 1L-9H-G266	1978'	1433'
Davis 1M-9H-G266	1987'	1438'
Davis 1N-9H-G266	1995'	1443'
Davis 1O-9H-G266	2004'	1448'
Davis 1P-9H-G266	2013'	1453'
Davis 1Q-9H-G266	2021'	1458'
Davis 1R-9H-G266	2030'	1463'
Davis 1S-9H-G266	2039'	1468'
Davis 1T-9H-G266	2048'	1473'

ALL ABOVE WELLS ARE MEASURE FROM:

Township 2 North, Range 66 West

Section 9

Weld County, Colorado

To Whom It May Concern:

Crestone Peak Resources Holdings LLC ("Crestone") staked the Davis wells at surface locations as notated above (survey plats attached). These wells are being drilled under the rules and regulations of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rule

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318A known as the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
Rule 318A.c.(1) states:

"A new surface well location shall be approved in accordance with Commission rules when it is less than fifty (50) feet from an existing surface well location."

Rule 318A.c.(2) states:

"When the operator is requesting a surface well location greater than fifty (50) feet from a well (unless safety or mechanical considerations of the well to be twinned or topographical or surface constraints justify a location greater than fifty (50) feet), the operator shall provide a consent to the exception signed by the surface owner on which the well is proposed to be located in order for the Director to approve the well location administratively."

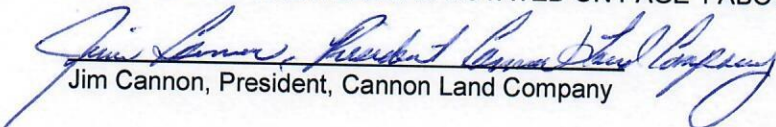
Rule 318A.a.(1) states:

"In the GWA, operators may utilize the following described surface drilling locations (GWA windows") to drill, twin, deepen, or recompleate a well (GWA well") and to commingle any or all of the Cretaceous Age formations from the base of the Dakota Formation to the surface:

(2) A square with sides eight hundred (800) feet in length, the center of which is the center of any governmental quarter section ("800 window").

The Davis wells were staked at locations South of the existing Davis Gas Unit 1 well located in the same quarter section and South of the closest drilling window. As these locations were staked greater than fifty (50) feet from the existing well and they were also staked outside of the drilling window, Crestone respectfully requests your consent to an exception location for these wells per COGCC Rule 318A.c.(2) and 318A.a.(2).

THE UNDERSIGNED SURFACE OWNER HEREBY CONSENTS TO THE EXCEPTION LOCATION PER RULE 318A.c.(2) AND RULE 318A.a.(2) AS IT APPLIES TO THE SURFACE LOCATIONS OF THE DAVIS 1D-9H-G266 – DAVIS 1T-9H-G266 WELLS (17 WELLS) AND APPROVES THE SURFACE LOCATION OF THE WELLS AS NOTATED ON PAGE 1 ABOVE.


Jim Cannon, President, Cannon Land Company

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