



Caerus Oil & Gas LLC  
1001 Seventeenth Street  
Suite 1600  
Denver, Colorado 80202

February 26, 2018

Matt Lepore, Director  
Colorado Oil and Gas Conservation Commission  
Department of Natural Resources  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

RE: Request for Exception to Rule 318.c. Spacing Order 510-13 – SWNE, Section 8, T5S-R96W – Limits Development to One Pad per Quarter-Quarter, Garfield County, CO

NPR 11A-8-596 (Doc. No. 401428183); NPR 11B-8-596 (Doc. No. 401442649);  
NPR 11C-8-596 (Doc. No. 401445741); NPR 11D-8-596 (Doc. No. 401445773);  
NPR 12A-8-596 (Doc. No. 401445789); NPR 12B-8-596 (Doc. No. 401446116);  
NPR 12C-8-596 (Doc. No. 401446200); NPR 12D-8-596 (Doc. No. 401446211);  
NPR 13A-8-596 (Doc. No. 401446235); NPR 13B-8-596 (Doc. No. 401446692);  
NPR 13C-8-596 (Doc. No. 401446709); NPR 13D-8-596 (Doc. No. 401446718);  
NPR 14A-8-596 (Doc. No. 401446722); NPR 14C-8-596 (Doc. No. 401446724);  
NPR 14D-8-596 (Doc. No. 401446733); NPR 15A-8-596 (Doc. No. 401446742);  
NPR 15B-8-596 (Doc. No. 401446758); NPR 15D-8-596 (Doc. No. 401447294);  
NPR 21A-8-596 (Doc. No. 401447317); NPR 21B-8-596 (Doc. No. 401447334);  
NPR 21C-8-596 (Doc. No. 401447432); NPR 22A-8-596 (Doc. No. 401447566);  
NPR 22B-8-596 (Doc. No. 401447631); NPR 22C-8-596 (Doc. No. 401447671);  
NPR 22D-8-596 (Doc. No. 401447816); NPR 23B-8-596 (Doc. No. 401447820);  
NPR 23C-8-596 (Doc. No. 401447830); NPR 23D-8-596 (Doc. No. 401447860);  
NPR 24A-8-596 (Doc. No. 401447870); NPR 24B-8-596 (Doc. No. 401447880);  
NPR 24C-8-596 (Doc. No. 401447906); NPR 24D-8-596 (Doc. No. 401447994);  
NPR 25A-8-596 (Doc. No. 401447997); NPR 25B-8-596 (Doc. No. 401448001).

Dear Director Lepore:

Caerus Piceance LLC ("Caerus") respectfully requests approval of an exception to Rule 318.c. - Spacing Order 510-13. Spacing Order 510-13 limits development of one pad per quarter-quarter. Currently, there is one pad in this quarter-quarter; Location ID: 335682 containing (4) producing wells was constructed by Conoco Phillips Company prior to 2011. Caerus's proposed

NPR K08-596 Pad containing 34 proposed locations and located in the SWNE, Section 8, T5S-R96W is schedule for construction in July 2018.

Caerus is requesting an exception to Spacing Order 510-13 because the N. Parachute 65S96W-8SWNE Pad (Location ID: 335682) lies 220' to the Northeast of the proposed NPR K08-596 Pad in the SWNE, Section 8, T5S-R96W. Caerus made several attempts in-house to use or expand the existing pad to meet our operational needs. We concluded that a new pad is necessary due to topography and the need to place the pad in an area that can house the number of proposed wells (34) adequately. Also, new disturbance will be adjacent to the old pad and will preclude any other future disturbance in this section.

Sincerely,

A handwritten signature in black ink that reads "Reed Haddock". The signature is written in a cursive, flowing style.

**Caerus Piceance, LLC**

Reed Haddock

Sr. Regulatory Specialist

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Denver, CO 80202