

KERR-MCGEE OIL & GAS ONSHORE, LP

1099 18th Street, Suite 1800, Denver, CO 80202

February 18, 2020

Phyllis I. Schlager and Thomas R. Schlager as Co-Trustees of The J. Robert Schlager Family Trust established by the Last Will and Testament of J. Robert Schlager dated May 12, 1997

Phyllis I. Schlager

Thomas R. Schlager and Jilann J. Schlager
17138 WCR 17, Platteville, CO 80651

Re: Request for Exception to Rule 318A-a
Request for Exception to Rule 318A-c
Request for Form 2 and Form 2A Submittal Authorization
Schlager 5-1HZ, Schlager 5-2HZ, Schlager 5-3HZ, Schlager 5-4HZ, Schlager 5-5HZ, Schlager 5-6HZ, Schlager 5-7HZ, Schlager 5-8HZ, Schlager 5-9HZ, Schlager 5-10HZ
Township 2 North, Range 65 West, 6th P.M.
Section 5: NW/4SE/4
Weld County, Colorado

Dear Mr. and Mrs. Schlager:

Kerr-McGee Oil & Gas Onshore LP ("KMG") plans to drill the listed oil and gas wells from the above described surface locations.

Rule 318A of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rules and Regulations requires that the wells be drilled in a square with sides four hundred (400) feet in length, the center of which is the center of any quarter/quarter, or a square with sides eight hundred (800) feet in length, the center of which is the center of any quarter section. Rule 318A also requires any new well to be located 50' or less from any existing oil and gas well. KMG plans to drill the wells at the above described location and are requesting a waiver of those COGCC rules in order for the wells to be located more than 50' from the existing well and outside the legal drilling window. Please understand that the names of the proposed wells may be altered, but any such change shall not impact the validity or effect of this waiver.

If the above-referenced well locations meet with your approval, please so indicate by signing below, thereby waiving the two COGCC well-location rules described above. By executing this letter, you also acknowledge that KMG is authorized to submit COGCC Forms 2 and 2A for the location and wells cited above for a period of two years from the date this letter is signed by you. Should you have any questions, please contact our office. Thank you for your consideration.

Very truly yours,

KERR-MCGEE OIL & GAS ONSHORE, LP

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KERR-MCGEE OIL & GAS ONSHORE, LP

Tom Crouch
Landman

I/we waive the above COGCC well-location requirements and approve the above described location allowing for submittal of required COGCC permit applications.

By: Phyllis I. Schlagel
Name: Phyllis I. Schlagel
Title: Co-Trustee

Date: 2-19-20

By: Thomas R. Schlagel
Name: Thomas R. Schlagel
Title: Co-Trustee

Date: 2-19-20

By: Phyllis I. Schlagel
Name: Phyllis I. Schlagel

Date: 2-19-20

By: Thomas R. Schlagel
Name: Thomas R. Schlagel

Date: 2-19-20

By: Jilann J. Schlagel
Name: Jilann J. Schlagel

Date: 2-19-20