



April 7, 2010

Department of Natural Resources  
Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln St., Suite 801  
Denver, CO 80203

Re: Request for Exception to Rule 318A.a  
Request for Exception to Rule 318A.c  
SATER 7-8 SATER 2-8 SATER 8-8  
SATER 21-8 SATER 24-8 SATER 28-8  
Township 2 North, Range 67 West  
Section 8: SW/4NE/4  
Weld County, Colorado

Ladies/Gentlemen:

Kerr-McGee Oil & Gas Onshore LP ("KMG") respectfully requests the Director approve an exception to Rule 318A.a to allow the above-named wells to be drilled at the above referenced location. Rule 318A.a of the Colorado Oil and Gas Commission's Rules and Regulations requires wells to be drilled/completed in a square with sides four hundred (400) feet in length, the center of which is the center of any quarter/quarter section or in the center of any quarter section with the four sides being (800) feet in length. The above-named wells are being permitted is an exception location at the request of the surface owner.

Under the Revised Rule 318A.c of the Colorado Oil and Gas Commission's Rules and Regulations, it requires any new twinning well to be located within 50 feet of an exiting well. The above-named wells are more than 50 feet from the nearest oil and gas well.

KMG has obtained written permission from the surface owner for both of these waivers. Should you have any questions, please contact our office. Thank you for your consideration.

Very truly yours,

**Kerr-McGee Oil & Gas Onshore LP**

A handwritten signature in blue ink, appearing to read 'Rebecca Heim'.

Rebecca Heim  
Regulatory Analyst II



# KERR-MCGEE OIL AND GAS ONSHORE LP

635 N. 7<sup>TH</sup> AVENUE, BRIGHTON, CO 80601

*APRIL 5th*  
March 29, 2010

Sater Family Interests LP  
Alfred Sater, Owner  
7544 CR 24  
Longmont, CO 80504

Re: Request for Exception to Rule 318A-a  
Request for Exception to Rule 318A-c  
SATER 2-8 SWNE      SATER 7-8 SWNE      SATER 8-8 SWNE  
SATER 21-8 SWNE      SATER 24-8 SWNE      SATER 28-8 SWNE  
Township 2 North, Range 67 West  
Section 8: NE/4  
Weld County, Colorado

Dear Mr. Sater:

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

Rule 318A of the Colorado Oil and Gas Commission's Rules and Regulations requires 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. Rule 318A of the Colorado Oil and Gas Commission's Rules and Regulations also requires any new twinned well be located 50' or less from an existing oil and gas well. We will drill the wells at the above described location, but we will need this waiver as this location is more than 50' from the existing well and falls outside the legal drilling window.

Please waive both of the above referenced requirements showing your approval by signing below. Should you have any questions, please contact our office. Thank you for your consideration.

Very truly yours,  
KERR-MCGEE OIL AND GAS ONSHORE LP



David Haertel  
Landman

I/we waive the above requirement and approve the above described location.

Alfred Sater, Owner

By *Alfred Sater*