

Aug. 20. 2010 12:45PM  
AUG. 16. 2010 5:12PM

SOUTHWEST INVESTMENT GROUP INC  
PETERSON ENERGY MANAGEMENT

No. 8915 P. 1  
No. 1891 P. 2

**HRM RESOURCES LLC**  
410 17<sup>th</sup> Street, Suite 1200  
Denver CO 80202  
(o) 303-893-6621 (f) 303-893-6892

8/16/2010

Milliken Investors, LLC  
6025 S. Quebec St. Suite 250  
Centennial, CO 80111

VIA FACSIMILE TRANSMITTAL

RE: Rule 318.A(c) Exception Location Waiver: Twinning Waiver

Dutton #11-22 Well: 1133' FNL, 1177' FWL

Dutton #21-22 Well: 1133' FNL, 1197' FWL

Dutton #0-2-22 Well: 1158' FNL, 1177' FWL

Dutton #4-2-22 Well: 1158' FNL, 1197' FWL

NW/4 Sec. 22-T4N-R67W, Weld County, Colorado

Gentlemen,

Pursuant to our discussions and the terms of the Surface Use Agreement between the parties, HRM Resources, LLC intends to drill two directional wells with above surface locations, greater than 50' from an existing well. Rule 318.A(c) stipulates that GWA wells must be located no greater than 50' from an existing well. Per COGCC Rules we are required to get surface owner approval of this location and a waiver of rule 318.A(c).

The nearest well to the proposed wells, the HRM Resources CNW-22, is approximately 375' to the south east across the property line.

These wells are spotted as above, on a single site and 20' from each other, in order to maximize future land use possibilities and minimize surface disturbance.

Should you find this location acceptable please indicate so by signing the below section and returning the signed letter in the included stamped envelope as soon as possible. Please contact the undersigned at 970-669-7411 with any questions.

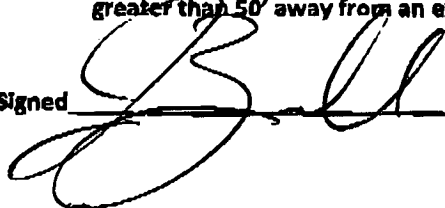
Sincerely,



Clayton L. Doke for  
Andy Peterson, VP Operations  
HRM Resources, LLC

I, Jan B. [Signature], agent or employee of Milliken Investors, LLC, surface owner of the above described lands, with full power to execute the following, do hereby approve of the HRM Resources Dutton #11-22, #21-22, #0-2-22, & #4-2-22 locations as listed above on said lands in Section 22-T4N-R67W and grant a waiver to COGCC Rule 318.A(c) granting that they may be located greater than 50' away from an existing well.

Signed



this 20<sup>th</sup> day of AUGUST, 2010