

January 24, 2011

Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

Attn: Mr. David Neslin, Director COGCC
c/o: Ms. Julie Vigil, Permitting Technician – COGCC

RE: Request for Permit Issuance Due to Exigent Circumstances
Cottonwood Grazing #2-22
Section 22 – 12S – 52W
Lincoln County, Colorado

C J Nolte, Manager of C J Nolte LLC, respectfully requests your approval of this request for early permit issuance due to exigent circumstances resulting in economic hardship associated with our having a drilling rig in the immediate vicinity that will be ready to move on shortly before the expiration of the public comment date of February 9, 2011.


At this moment, my contracted drilling company (Black Gold Drilling, Inc.) is on location drilling a well for another operator. That well should be completed on or around January 26, 2011. At that time BGD, Inc. will move to my first location, the Cottonwood Grazing #1-22 if approved by that date. I am paying for the rig move from the location it is at now to my location in Lincoln County, Colorado. That distance is just over 100 miles. The cost for me to move the rig is \$45,000.00. My plan was to drill the Cottonwood Grazing #1-22, then move the rig about a half a mile and drill the Cottonwood Grazing #2-22.

The economic hardship associated with not receiving an expedited permit approval is that BGD, Inc. will charge me a rig stand-by fee of \$10,800.00 per day it waits on location. Or if BGD, Inc. must move on to their next well with another operating company, I will have to pay another \$45,000.00 to move the rig back to the Cottonwood Grazing #2-22 location when the BGD, Inc. rig becomes available.

As provided for in Rule 303.1(2), you, as Director of the COGCC, may issue a permit at any time in the event that an operator files a sworn statement and demonstrates to your satisfaction that, due to exigent circumstances, significant economic hardship to the operator in the form of standby charges will result; therefore, I here by request that you accept this letter as my sworn statement of exigent circumstances that would result in economic hardship to me if he required to wait until, or past, the February 9, 2011 deadline for the receipt of public comment and permit approval.

I want to thank you for your consideration on this matter.

Sincerely,


Cliff Nolte mgr of C J Nolte LLC