



May 11, 2011

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

Attention: Mr. Dave Neslin

Re: Exception Location Request
D Blach 42-10 1N47W
Approx: 1400 feet FNL and 55 feet FEL
of Section 10, Township 1 North,
Range 47 West, 6th PM, SENE/4
Yuma County, Colorado

Dear Mr. Neslin:

Per COGCC rule 318c, we would like to request an exception location waiver for the drilling of the above referenced well. The proposed well falls under WLR 318B which requires the location to be 300 feet from a lease line and 300' from a section line. The proposed location will be approximately 55' west of a lease line of section 11 1N47W. In addition the proposed location will be approximately 55' west of county road M. We feel the proposed location will give us the amplitude and we will gain more than the nine (9) feet of structural advantage to produce an economic well. If placed in a legal location we feel it would be uneconomical based on the 2 dry holes and the plugged well near the proposed location.

A written waiver for this location has been requested and received from Dale & Betty Kirchenschlager, the off-setting mineral owner, the Yuma County Commissioners and Mr. Rod Dunker, the Operations Manager of Y-W Electric Assn. Copies of the signed waivers are attached for your review.

If you have any questions or require additional information please do not hesitate to call the number listed above.

Best Regards,

Augustus Energy Partners, LLC

Loni J. Davis
Operations Accounting and Regulatory Specialist

cc: AEP Well File