

KERR-MCGEE OIL AND GAS ONSHORE LP

635 N. 7TH AVENUE, BRIGHTON, CO 80601

December 7th, 2010

Mr. & Mrs. Walters
18512 County Road 22
Fort Lupton, CO 80621

Re: Request for Exception to Rule 318A-a
Request for Exception to Rule 318A-c
Walters 28-18, Walters 21-18, Walters 25-18:
Township 2 North, Range 65 West Section 18: W¹/₂ NE¹/₄
Weld County, Colorado

Dear Mr. and Mrs. Walters:

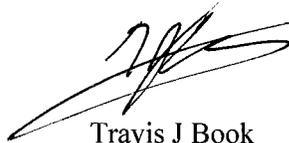
Kerr-McGee Oil and Gas Onshore LP plans to drill the listed oil and gas wells from the above described surface locations.

Rule 318A of the Colorado Oil and Gas Commission's Rules and Regulations requires the well 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 & GAS ONSHORE LP



Travis J Book
Landman

I/we waive Rule 318A and approve the above described location.

Jocelyn R. Walters, Owner

By: Jocelyn R. Walters

Title: Owner

Date: 12/7/10

Brian Walters, Owner

By: Brian Walters

Title: Owner

Date: 12/7/10