

December 14, 2011

Director Neslin,

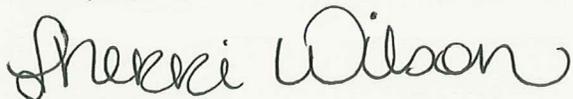
I am writing to request a location exception regarding the Tuell 24-03. It will be operated by Rosewood Resources, Inc. and is located in T3N R46W, Section 3 SESW (461' FSL and 2384' FWL).

Rule 318B.a(4) states:

*Wells shall be located at least three hundred (300) feet from the boundary of said quarter section, and wells located outside any drilling units already established by the Commission in the WLR Area prior to this WLR's effective date (July 30, 2006) shall, in addition, be located at least three hundred (300) feet from any lease line. Further, wells shall be located not less than nine hundred (900) feet from any producible well drilled to the Niobrara Formation prior to this WLR's effective date (July 30, 2006) located in a contiguous or cornering quarter section unless exception is approved by the Director.*

As shown on the attached plat, the Tuell 23-04 location will be 284' from the center line of the section instead of 300'. According to our geologist, this location is in the best geologic position and that is why it does not meet the requirement. However, since the attached lease shows that the adjacent quarter (the SE/4) is also owned by the same mineral owner (Tuelland Inc.), no waiver was requested from the Tuells.

Thank you,



Sherri Wilson