

February 28, 2012

RE: Expedited Approval of Forms 2 and 2A
Surface Owner Waiver
Staner 5-58 #1-8
Township 5S, Range 58W, Section 8: SW/4, Arapahoe County, Colorado

Southwestern Energy Production Company (SEPCO) plans to drill the second well, of a two well exploratory program in Adams and Arapahoe counties. SEPCO has made a financial commitment to Patterson Drilling, along with other supporting contractors to commence drilling of this first well possibly as soon as mid March, 2012 and no later than April 1st, 2012. This program will be a huge part of SEPCO's success in the state of Colorado, and the assurance of this permit will facilitate commencement of drilling this well by this deadline.

Rule 303.1. provides for the approval of Form 2 and Form 2A without the Rule 305.c 20-day Comment Period. It states:

I. Special circumstances for permit issuance without notice or consultation. The Director may issue a permit at any time in the event that an operator files a sworn statement and demonstrates therein to the Directors satisfaction that:

- (1) The operator had the right or obligation under the terms of an existing contract to drill a well; and the owner or operator has a leasehold estate or a right to acquire a leasehold estate under said contract which will be terminated unless the operator is permitted to immediately commence the drilling of said well; or
- (2) Due to exigent circumstances (including a recent change in geological interpretation), significant economic hardship to a drilling contractor will result or significant economic hardship to an operator in the form of drilling standby charges will result.

In the event the Director issues a permit under this rule, the operator shall not be required to meet obligations to surface owners, local governmental designees, the Colorado Department of Public Health and Environment, or the Colorado Division of Wildlife under Rule 305 (except Rules 305.e.(4) and 305.e.(6), for which compliance will still be required) and 306. The Director shall report permits granted in such manner to the Commission at regularly scheduled monthly hearings.

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Rule 305.c of the Colorado Oil & Gas Commission (COGCC) provides for a 20-day comment period on each Form 2 and Form 2A. It states:

- c. Comment Period.** The Director shall not approve the Form 2A, or and associated Form 2, for twenty (20) days from posting pursuant to Rule 305.b, and shall accepted and post on the Commission's website immediately upon their receipt any comments received from the public, the local government designee, the Colorado Department of Public Health and Environment, or the Colorado Division of Wildlife regarding the proposed oil and gas location.

SEPCO intends to drill the above referenced well immediately upon the expedited approval of Form 2 and Form 2A of the COGCC.

SEPCO respectfully request approval of this waiver for this location.

In kind regards,



Larry Ellison, RPL
Mason Dixon Energy, LLC
Broker for SEPCO
lellison@mdenergy.com

AS THE SURFACE OWNER WITH STANDING PURSUANT TO THE ABOVE REFERENCED RULES, I HEREBY GIVE MY APPROVAL WITHOUT CONSULTATION AND WAIVE MY RIGHT TO COMMENT ON THE APPLICATION ON THE APPLICATION. I HAVE NO PROTEST OF THE ISSUANCE OF THE PERMIT FOR THE ABOVE CAPTIONED WELL.



Daniel Staner

Date: 3-3-12



Pam Staner

Date: 3/3/12

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The Right People doing the Right Things,
wisely investing the cash flow from our
underlying Assets, will create Value+®