

**FINNEY LAND CO.**

**OIL & GAS CONSULTING**

P.O. BOX 2471  
DURANGO, CO 81302  
PHONE: 970-259-5691 FAX: 970-259-4279

March 15, 2013

GFD Ignacio, LLC  
175 Mercado St. Ste. 240  
Durango, CO, 81301  
ATTN: Pat Morrissey

**Re:** Elm Ridge Exploration Co., LLC  
IGE 118 Well  
NW/4SW/4 Sec. 18, T33N-R7W  
La Plata Co., CO

Dear Mr. Morrissey,

As you are aware, Elm Ridge Exploration Company, LLC is proposing to drill the above captioned well on lands owned by GFD Ignacio, LLC.

**COGCC:**

This letter is being sent pursuant to Regulation 305.b and 305.c(6) of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission. Notice is given as follows:

The estimated start of drilling operations is May 2013.

The applicant and designated agent are listed below:

**APPLICANT:**

Company Name: Elm Ridge Exploration Co., LLC

**DESIGNATED AGENT:**

Contact Name: Doug Joyce  
Company Name: Finney Land Co.  
Street Address: P.O. Box 2471  
City: Durango  
State: Colorado  
Zip: 81301  
Phone Number: 970-259-5691  
Email Address:

Well location: T33N, R7W, Sec. 18: NW/4SW/4 (existing Ute T #2 well pad).

It is the surface owners' responsibility to notify any tenant of the proposed operations.

A brochure describing surface owner rights and responsibilities has been provided to you.

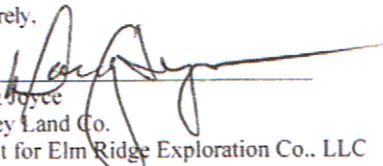
This letter shall serve as the required notice for the 30 day period prior to the commencement of operations.

In as much as we have negotiated a surface damage agreement with you, Elm Ridge requests that you waive the following:

- 1.) Waive the state rule requiring 30 days notice before starting operations;
- 2.) Waive the state notice requirement for a tenant;
- 3.) Waive the state posting requirements for the notice.

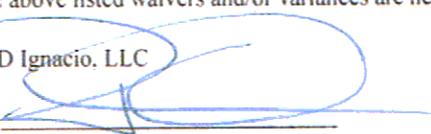
If you are agreeable to granting Elm Ridge the above waivers and/or variances please acknowledge so by signing one copy of this letter and returning it for our files. Thank you for your help in this matter.

Sincerely,

  
\_\_\_\_\_  
Doug Joyce  
Finney Land Co.  
Agent for Elm Ridge Exploration Co., LLC

The above listed waivers and/or variances are hereby granted this 15th day of March, 2013.

GFD Ignacio, LLC

By: 

~~Pat Morrissey~~ Authorized Representative

Patrick Vaughn