



PICEANCE ENERGY, LLC
(A LARAMIE ENERGY SUBSIDIARY)
601 28-1/4 ROAD, SUITE D
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June 17, 2013

Roger Lee Knox and Sandra A. Knox,
Michael D. Knox and Raynell J. Knox, Mark M. Knox, Dean M. Knox
Michael D. Knox, Attorney-in-Fact for Larry D. Knox and Danna B. Knox
c/o Mike Knox
1600 County Rd 306
Parachute, Colorado 81635

Re: Waiver of Property Line Setback, Rule 603; Knox 3-16 Pad, Garfield County, Colorado

Ladies and Gentlemen:

This waiver request is in reference to the Surface Use Agreement for placing one (1) surface location ("well pad") on your property located in the center of the W/2SW/4 of Section 2 and the E/2SE/4 of Section 3, Township 8 South, Range 96 West, 6th P.M. After we submitted a renewal request for our drilling permit that was already approved, the Colorado Oil and Gas Conservation Commission (COGCC) requested that all of you acknowledge that this pad extends across property lines and that you waive Rule 603 that requires a 150-foot set back from a property line.

Please execute this letter, keep a copy for your records and return one to me in the enclosed self-addressed envelope.

Sincerely,

Thomas A. Rutledge
Senior Land Manager-Piceance Basin

We, the undersigned surface owners, hereby specially waive the 150-foot set back from a property line requirement contained in Rule 603 of the Rules and Regulations of the COGCC.

By:
Michael D. Knox, individually and as Attorney-in-Fact for Larry D. Knox and Danna B. Knox

By:
Roger Lee Knox

By:
Dean M. Knox

By:
Raynell J. Knox

By:
Sandra A. Knox

By:
Mark M. Knox