



10/11/2013

VIA ELECTRONIC TRANSMISSION

Colorado Oil and Gas Conservation Commission
Attn: Matt Lepore, Director
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: Rule 318A.m Minimum Intrawell Distance Exception
DT-Habitat #3-5-6 Well: 331' FNL, 1835' FEL, NWNE Sec. 5-T5N-R65W

Dear Mr. Lepore,

Mineral Resources, Inc (MRI) respectfully requests that the Director grant an exception to Rule 318A.m for the above well. Per COGCC Rule 318A.m, no horizontal wellbore lateral shall be located less than one hundred fifty (150) feet from any existing or permitted oil or gas wellbore unless waived in writing by the encroached upon well. As currently planned, the wellbore of the above well will lie within 150 feet of the horizontal lateral of the captioned well:

Warnoco #6-2-6, API 05-123-34653, Operated by Mineral Resources, Inc
Gas #2-2-5, API 05-123-34644, Operated by Mineral Resources, Inc

MRI is the Operator of the encroached upon wells, and hereby waives Rule 318A.m. Please see MRI's Anti-Collision Mitigation BMP listed below.

Anti-Collision BMP: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed wells. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.

Mineral Resources respectfully requests that the above well be approved. Please contact the undersigned at 720-420-5700 with any questions.

Sincerely,

Clayton L. Doke
Senior Engineer
Integrated Petroleum Technologies, Inc
Consultants to Mineral Resources, Inc