



1050 17<sup>th</sup> Street, Suite 2400  
Denver, CO 80265

10/28/2015

Gypsum Ranch Company, LLC

Attn: Scott Balcomb  
PO Drawer 790  
Glenwood Springs, CO 81602

**RE: Waiver of Rule 603.a.(1)**

**HANGS A**

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.

SW¼SE¼ of Section 9

Garfield County, Colorado

Dear Scott:

Ursa Operating Company LLC ("Ursa") has an existing Hangs A Pad, and proposes to place wells at a surface location closer than 200 feet from the nearest building (scale house), please see table below for actual distances. Rule 603.a.(1) states:

At the time of initial drilling, a Well shall be located not less than two hundred (200) feet from buildings, public roads, major above ground utility lines, or railroads.

Well Name	Well Location (Surface)	Distance to Building (Scale House)
Hangs A 13C-09-06-92	938' FSL, 2465' FEL	185'
Hangs A 13D-09-06-92	914' FSL, 2461' FEL	170'
Hangs A 14A-09-06-92	897' FSL, 2465' FEL	155'
Hangs A 23B-09-06-92	932' FSL, 2442' FEL	196'
Hangs A 23D-09-06-92	947' FSL, 2465' FEL	193'
Hangs A 24A-09-06-92	927' FSL, 2465' FEL	177'
Hangs A 24B-09-06-92	907' FSL, 2465' FEL	162'
Hangs A 33B-09-06-92	923' FSL, 2442' FEL	189'
Hangs A 33D-09-06-92	923' FSL, 2442' FEL	189'

If this meets with your approval, please sign and date both originals of this letter, keeping one for your files and returning one to the undersigned.

Thank you for your time and consideration in this matter. If you have any questions or comments, please contact me at 970-379-0008 cell.

Sincerely,

Ursa Operating Company LLC

  
John Doose



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Denver, CO 80265

Gypsum Ranch Company, LLC  
Rule 603.a.(1) Waiver  
Date  
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THE UNDERSIGNED SURFACE OWNER HEREBY WAIVES RULE 603.a.(1) AS IT APPLIES TO THE SURFACE LOCATION OF THE HANGS A PAD WELLS AND APPROVES THE SURFACE LOCATION LESS THAN 200 FEET FROM THE SCALE HOUSE.

SURFACE OWNER:

*Scott Balcomb g.p.*

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Gypsum Ranch Company, LLC  
By: Scott Balcomb