



Upstream

Petroleum Management, Inc.

7000 S. Yosemite St., Suite 290B
Englewood, CO 80112
phone 303.942.0506
www.upstreampm.com

VIA E-FORMS

Mr. Matt Lepore
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

March 24, 2016

RE: Rule 318.A.a. and 318A.c. Exception Location Request
PetroShare Corporation
Shook 3-10-5CDH
Document Number: 401010016
SHL: 2,058' FSL 2,139' FEL (NW/4 SE/4)
Sec. 3 T1S R67W
BHL: $\pm 460'$ FSL $\pm 1,324'$ FEL (SW/4 SE/4)
Sec. 10 T1S R67W
Adams County, Colorado
Surface: Fee
Mineral Lease: Fee

Dear Mr. Lepore:

PetroShare Corporation (PetroShare) respectfully requests that the Director grant an exception location to Colorado Oil and Gas Conservation Commission (COGCC) Rules 318A.a. and Rule 318A.c., for the above referenced well. The planned location was agreed upon by PetroShare and the surface owner through multiple conversations and meetings due to topography and to maximize future land use possibilities as well as utilize a natural tree barrier for noise and visual mitigation.

COGCC Rule 318.A.a stipulates that a Greater Wattenberg Area (GWA) well surface location must be within a 400' by 400' drilling window located at the center of each quarter-quarter section, or inside a 800' by 800' drilling window located at the center of each quarter section. The above referenced well falls outside of these drilling windows.

COGCC Rule 318A.c. stipulates that a GWA well surface location shall not be less than 50' from an existing well. As planned, these surface locations are greater than 50' from an existing well.

PetroShare requests the Director approve the proposed exception location. The surface owner acknowledges and agrees with the staked surface location of the well. Please see the enclosed waivers.

Your Assets / Our Expertise

- Regulatory
- Storm-water Management Plans
- Project Coordination
- Permitting
- Government Relations
- EA/EIS Assistance

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Please send a copy of all correspondence to Upstream Petroleum Management, Inc. at 7000 S. Yosemite St., Suite 290B, Englewood, CO 80112. Please contact me at 303-942-0506 or at agross@upstreampm.com if you have any questions.

Sincerely,



Andrea J. Gross
Permit Agent for PetroShare Corporation