

April 15, 2016  
VIA ELECTRONIC TRANSMITTAL

---

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

RE: **Rule 318A.a. and Rule 318A.c. Exception Location Request (State 02-63-16-1H Pad)**  
**State 02-63-16-1H Well (DOC# 401026204)**  
SESE of Section 16, T2N, R63W, 6<sup>TH</sup> PM  
Weld County, CO

Dear Director:

Verdad Oil & Gas Corp. (Verdad) is requesting an exception to Rule 318A.a. and Rule 318A.c. for the above-captioned wells.

The locations are planned outside of a GWA window and are not within 50' of an existing well. This location is a good location in order to drill horizontal wells with sufficient lateral length in the producible zone and build sufficient production facilities on location.

If you have any questions, please contact the undersigned at 214-838-2783.

Sincerely,

L. Arthur Beecherl, IV



5950 Cedar Springs Road, Suite 200  
Dallas, TX 75235