

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, 6TH 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