



Upstream

Petroleum Management, Inc.

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Englewood, CO 80112

phone 303.942.0506

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Justin & Julie Ratliff
14995 Riverdale Rd.
Brighton, CO 80602

November 28, 2016

RE: Rule 318.A.a and 318A.c. Exception Location Waiver

Ward Petroleum Corporation

Todd Creek Farms 15-2-1HC

Todd Creek Farms 15-2-2HN

Todd Creek Farms 15-2-3HC

Todd Creek Farms 15-2-4HN

Todd Creek Farms 15-2-5HC

Todd Creek Farms 15-2-6HN

Sec.14 T1S R67W

Adams County, Colorado

Surface: Fee

Mineral Lease: Fee

Todd Creek Farms 14-2-1HC

Todd Creek Farms 14-2-2HN

Todd Creek Farms 14-2-3HC

Todd Creek Farms 14-2-4HN

Todd Creek Farms 14-2-5HC

Todd Creek Farms 14-2-6HN

Dear Mr. and Ms. Ratliff:

Ward Petroleum Corporation (Ward) intends to apply to the Colorado Oil and Gas Conservation Commission (COGCC) to drill the above referenced wells at the described surface locations. COGCC Rule 318.A.a stipulates that a Greater Wattenberg Area (GWA) well surface location must be within a 400' by 400' drilling window centered at the center of each quarter-quarter section, or inside a 800' by 800' drilling window centered at the center of each quarter section. The above referenced wells fall outside of these drilling windows. As you are aware, the surface locations were chosen in concurrence with your wishes, as the surface owner, and due to topography.

Additionally, 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.

Per COGCC Rules, Ward is required to obtain surface owner approval of these locations as they do not conform to COGCC GWA Rules. Should you find these exceptions acceptable, please sign the space provided below.

By approving this matter, we anticipate COGCC granting Ward a location exception waiver to Rule 318A.a and Rule 318A.c allowing the location to be outside the COGCC GWA spacing rules.

Please contact Andrea Gross at 303-942-0506 or at agross@upstreampm.com if you have any questions.

Sincerely,

Andrea Gross
Permit Agent for Ward Petroleum Corporation

By signing below, you acknowledge the agreed upon surface location of the well locations as staked and grant the waiver to COGCC Rule 318A.a and 318A.c granting that these wells may be drilled as planned.

Sign:

Mr. and Ms. Ratliff

Date: 12-6-16