

## COGCC Operator Tolling Agreement

Operator Name and No.: Western Operating Company (95620)

Warning Letter No.: 401238821

Warning Letter Mailing Date: March 21, 2017

Deadline for Operator Submission of Signed Tolling Agreement: April 21, 2017

*This Operator Tolling Agreement ("Agreement") accompanies one or more Warning Letter(s) that allege a violation or violations of Commission Rules. This Agreement is offered by COGCC so that the Operator has an opportunity to come into compliance with the Mechanical Integrity Testing requirements of Rule 319 and Rule 326 before COGCC initiates enforcement actions which may include the imposition of penalties*

COGCC agrees not to issue a Notice of Alleged Violation ("NOAV") before the June 30, 2017 extended deadline to complete corrective actions to come into compliance with the Mechanical Integrity Testing requirements of Rule 319 and Rule 326 offered in the Warning Letter(s) referenced above. In exchange, the Operator agrees to the following:

The Oil and Gas Conservation Act's statute of limitations, §34-60-115, C.R.S., is tolled for any existing or potential claims related to the corrective actions required by the Warning Letter(s) referenced above, from the date the Operator signs this Agreement until the Operator completes required corrective actions to COGCC's satisfaction or until COGCC issues an NOAV. This Agreement to toll the statute of limitations applies to the requirements and deadlines to submit any required Form 4, Sundry Notices; delinquent or deficient Form 7, Monthly Reports of Operations; and Form 5A, Completed Interval Reports, contained in the Warning Letter(s), however, this agreement DOES NOT extend the deadlines to submit any Form 4, Sundry Notices; delinquent or deficient Form 7, Monthly Reports of Operations; and Form 5A, Completed Interval Reports, required by the Warning Letter(s).

If COGCC does not receive a signed and dated copy of this Agreement by the deadline specified above, COGCC may issue one or more NOAV(s).

AGREED TO AND ACCEPTED:

COGCC

Western Operating Company

Date: March 21, 2017

Date: 4-11-17



Signature

Steven Mah, NOAV Specialist

Print Signatory Name, Title



Signature of Authorized Operator Representative

Steven D. Jones

Print Signatory Name, Title