



The Antholz, LLLP
5970 Drifter St.
Colorado Springs, CO 80919

February 13, 2018

RE: Rule 318.A.a and Rule 318A.c.(2) Exception Location Waiver
Confluence DJ LLC
Pickaroon 7 South
Sec. 7 T7N R64W
Weld County, Colorado
Surface: Fee
Mineral Lease: Fee

Dear Surface Owner:

As you are aware, the below referenced wells were previously staked on your surface at the referenced locations in Sec. 7 T7N R64W (NE/4 SE/4). Confluence DJ LLC (Confluence) intends to apply to the Colorado Oil and Gas Conservation Commission (COGCC) for Applications for Permits to Drill the below referenced wells at the described surface locations. COGCC Rule 318A.c.(2) stipulates that a Greater Wattenberg Area (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 wells. As you are aware, the surface locations were chosen in concurrence with your wishes, as the surface owner, and due to topography.

In addition, COGCC Rule 318.A.a stipulates that a 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 northern wells on the pad 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.

The below referenced wells do not conform to these drilling windows (Rule 318.A.a) or the Twinning Rule (Rule 318A.c(2)).

Pickaroon 7-8-2L	Pickaroon 7-11-1L	Pickaroon 7-13-3L
Pickaroon 7-4-4L	Pickaroon 7-11-3L	Pickaroon 7-14-2L
Pickaroon 7-9-1L	Pickaroon 7-5-4L	Pickaroon 7-6-4L
Pickaroon 7-9-3L	Pickaroon 7-12-2L	
Pickaroon 7-10-2L	Pickaroon 7-13-1L	

Per COGCC Rules, Confluence 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.

Your Assets / Our Expertise

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

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Rule 318.A.a Exception Location Waiver
Pickaroon 7 South Wellpad

By approving this matter, we anticipate COGCC will grant Confluence 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 me at 303-942-0506 or at agross@upstreampm.com if you have any questions.

Sincerely,



Andrea Gross
Permit Agent for Confluence DJ LLC

By signing below, you acknowledge the agreed upon surface location of the well locations as staked and grant the waiver to COGCC Rule 318.A.a and Rule 318A.c.(2) granting that these wells may be drilled as planned.

Sign: Bert A. Loper

Date: 2/16/18

By: Bert A. Loper
Surface Owner