

# KERR-MCGEE OIL & GAS ONSHORE, LP

1099 18<sup>th</sup> Street, Suite 1800, Denver, CO 80202

December 5th, 2018

Cleland Dairy Farms LLC  
2474 County Road 7  
Erie, CO 80516

Re: Request for Exception to Rule 318A-a  
Request for Exception to Rule 318A-c  
Request for Form 2 and Form 2A Submittal Authorization  
Cleland 15-1HZ  
Cleland 15-2HZ  
Cleland 15-3HZ  
Cleland 15-4HZ  
Cleland 15-5HZ  
Township 1 North, Range 68 West Section 15, a portion of the  
SW/4, also described as Parcel Number 146715300082  
Weld County, Colorado

Dear Cleland Dairy Farms LLC:

Kerr-McGee Oil & Gas Onshore LP ("KMG") plans to drill the listed oil and gas wells from the above described surface locations.

Rule 318A of the Colorado Oil and Gas Conservation Commission's ("COGCC") Rules and Regulations requires that the wells be drilled in a square with sides four hundred (400) feet in length, the center of which is the center of any quarter/quarter, or a square with sides eight hundred (800) feet in length, the center of which is the center of any quarter section. Rule 318A also requires any new well to be located 50' or less from any existing oil and gas well. KMG plans to drill the wells at the above described location, and are requesting a waiver of those COGCC rules in order for the wells to be located more than 50' from the existing well and outside the legal drilling window. Please understand that the names of the proposed wells may be altered, but any such change shall not impact the validity or effect of this waiver.

If the above-referenced well locations meet with your approval, please so indicate by signing below, thereby waiving the two COGCC well-location rules described above. By executing this letter, you also acknowledge that KMG is authorized to submit COGCC Forms 2 and 2A for the location and wells cited above for a period of two years from the date this letter is signed by you. Should you have any questions, please contact our office. Thank you for your consideration.

# KERR-MCGEE OIL & GAS ONSHORE, LP

1099 18<sup>th</sup> Street, Suite 1800, Denver, CO 80202

Very truly yours,  
KERR-MCGEE OIL & GAS ONSHORE, LP

Evan Johnson

Landman

I/we waive the above COGCC well-location requirements and approve the above described location allowing for submittal of required COGCC permit applications.

By: Cleland Dairy Farms LLC *by Gary Cleland* Date: 11-5-18  
Cleland Dairy Farms LLC