

January 16, 2020



Mr. Jeff Robbins, Director
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

**RE: COGCC Rule 318.c.: Exception Location Request
Goldeneye Center Pad: SENW Section 21, Township 8 North, Range 60 West**

Proposed Wells:

**GC Fed 1 (Doc #402171354), GC Fed 2 (Doc #402171357), GC Fed 3 (Doc #402171359),
Goldeneye Fed 21-16-2HN (Doc #402171355), Goldeneye Fed 21-16-3HN (Doc #402171358),
Goldeneye Fed 21-16-4HN (Doc #402171360), Goldeneye Fed 21-16-5HC (Doc #402171361),
Goldeneye Fed 21-16-6HN (Doc #402171363), Goldeneye Fed 21-16-7HN (Doc #402171364)
Weld County, Colorado**

Dear Director Robbins,

Mallard Exploration, LLC (Mallard) is applying to the Colorado Oil and Gas Conservation Commission (COGCC) to drill up to nine (9) wells on the above-referenced pad. Approved Spacing Order 535-1272 stipulates that the proposed wells shall be located on no more than one multi-well pad within the drilling and spacing unit, or at a legal location on adjacent lands, unless the Director grants an exception.

Mallard is requesting that the Applications for Permit to Drill from this second location be approved, as the Shoveler Pad (Loc ID 455365), located on an adjacent drilling and spacing unit is being utilized to drill one well (Shoveler Goldeneye Fed 21-16-1HN, Doc #402204279) into Spacing Order 535-1272 as part of a strategy to drill three wells to hold various federal leases that are expiring in February 2020. Significant operational and midstream tie in efficiencies are gained by utilizing this single location to drill multiple wells into various drilling and spacing units. The approved Shoveler Pad is currently under construction, as Mallard plans to move a rig there 2/1/2020.

Mallard met with COGCC staff August 8, 2019 to discuss our intentions in Sections 21 and 16, 8N, 60W and develop a plan to consolidate surface locations to best protect public health, safety, welfare, and the environment by minimizing surface disturbances. As part of that plan, the Duclair Pad was abandoned, and the Goldeneye East and West pads were consolidated into one Goldeneye Center Pad (Loc ID 469100). The net overall impacts reduced overall surface locations in the area by two as these wells are the reconfigured plan to produce the acreage in that area. Mallard requests an exception location to the spacing order provision that the wells be located on no more than one multi-well pad to allow for wells to be drilled from this second surface location.

Refer to Figure 1 for the location of the Goldeneye Center Pad in relation to the Shoveler Pad. The Shoveler Pad will be an integral location in developing additional acreage, as approved in Spacing Order 535-1273. Therefore, the Goldeneye Center Pad is necessary for the full development of Spacing Order 535-1272.

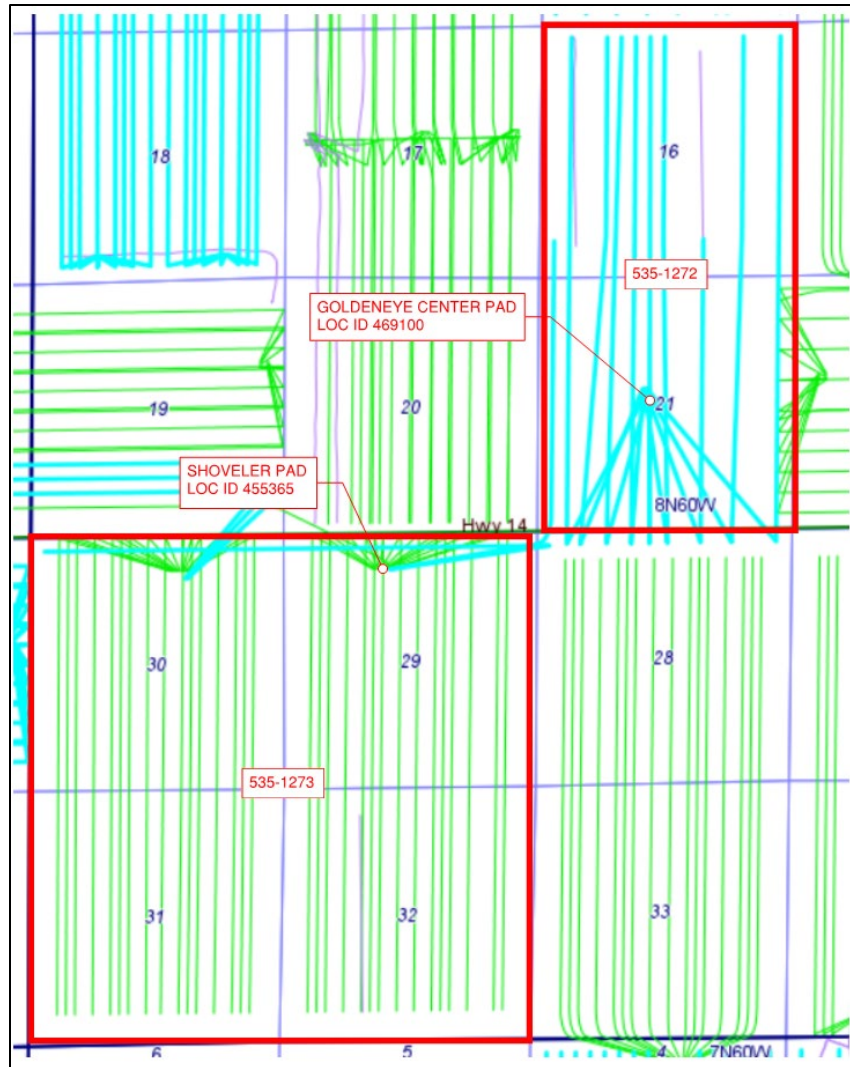


Figure 1. Location of the Goldeneye Center Pad & Shoveler Pad in relation to approved Spacing Units

Mallard respectfully requests the COGCC approve the exception location request and Applications for Permit to Drill for the wells on the subject pad. Many thanks for your consideration of this matter.

Respectfully,

Erin Mathews
VP of Development
Mallard Exploration, LLC