



MERIT ENERGY COMPANY

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November 9, 2009

David Neslin, Director
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

Re: 20 Day Certification Letter – Rule 318Ae
Frank 21-7B
NWNW, Sec 32, T4N-R66W
Surface Location: 452' FNL & 841' FWL
Bottom Hole Location: 25' FNL & 1601' FWL
Weld County, CO

Dear Mr. Neslin:

Merit Energy Company hereby certifies to the Director the Merit owns one-hundred percent (100%) of the mineral rights in the proposed spacing unit. Therefore, Merit Energy Company respectfully requests the Director to approve this well.

If you have any questions or issues regarding this permit, please contact the engineer Sean Gasser at 972.628.1493.

Yours truly,

MERIT ENERGY COMPANY

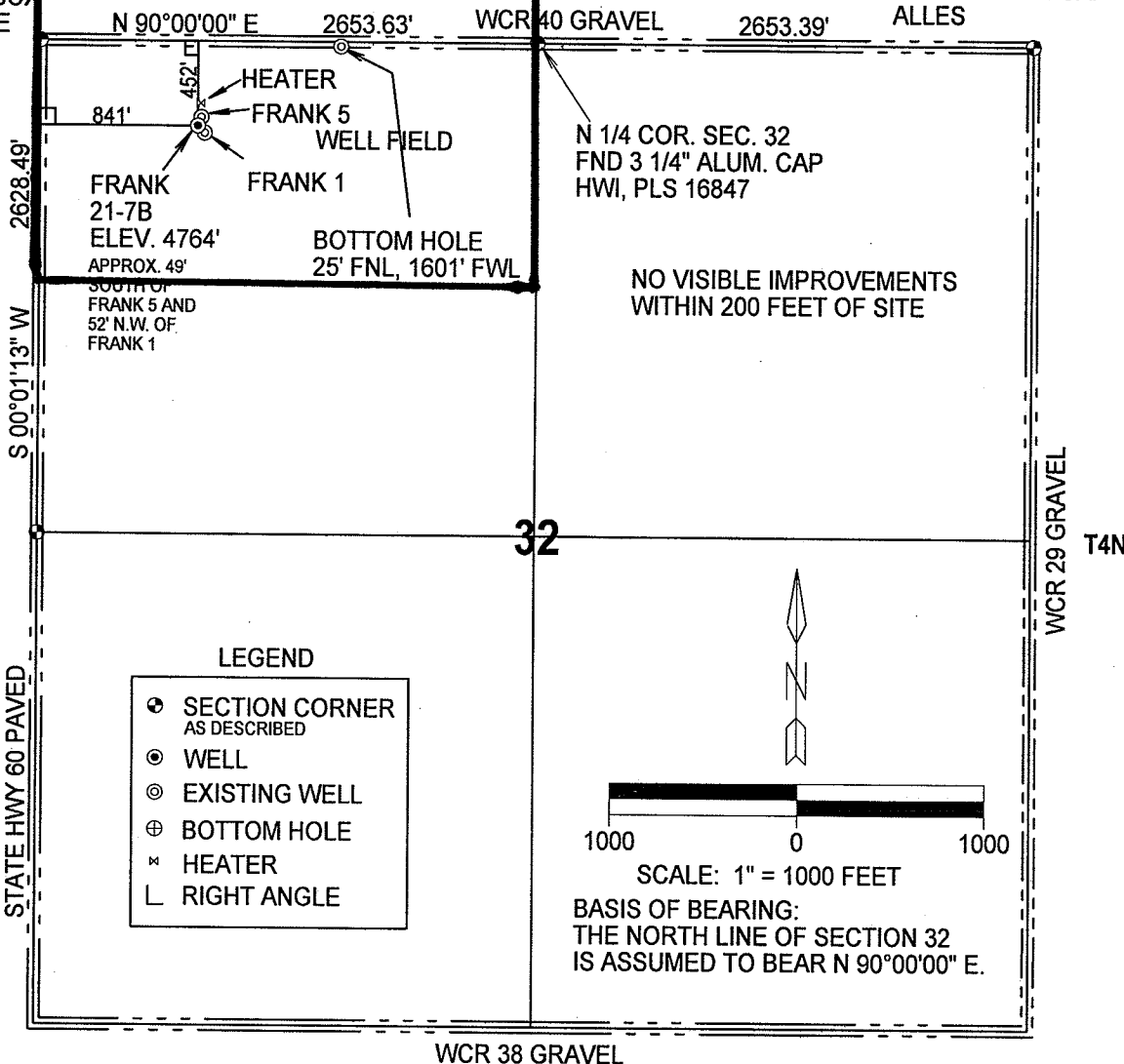
Michal K. White
North Division Regulatory Analyst

WELL LOCATION CERTIFICATE FRANK 21-7B

NW COR. SEC. 32
FND. 3 1/4" ALUM. CAP
IN MON. BOX
ILLEGIBLE

R 66W

NE COR. SEC 32
FND. 3" ALUM. CAP
ALLES



IN ACCORDANCE WITH A REQUEST FROM MERIT ENERGY COMPANY, THE UNDERSIGNED HAS DETERMINED THE LOCATION OF THE FRANK 21-7B WELL TO BE 841' FWL AND 452' FNL, SECTION 32, TOWNSHIP 4 NORTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, WELD COUNTY, COLORADO. FIELD SURVEY DATE: MAY 30, 2008.

GPS LOCATION

NORTH 40.27410° NAD 1983
WEST 104.80791°
PDOP 2.7

SURVEYOR STATEMENT

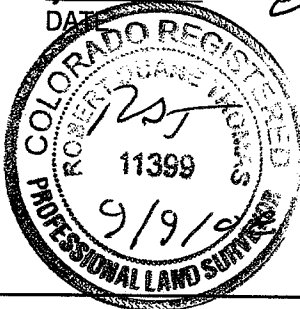
I, ROBERT D. THOMAS DO HEREBY STATE THAT THIS OIL AND, OR GAS WELL LOCATION CERTIFICATE WAS PREPARED FOR MERIT ENERGY COMPANY. IT IS NOT A SURVEY PLAT OR IMPROVEMENT SURVEY PLAT AND IS NOT TO BE RELIED UPON FOR THE ESTABLISHMENT OF FENCES, BUILDINGS OR OTHER FUTURE IMPROVEMENT LINES.

9/9/08

DATE

Robert D. Thomas

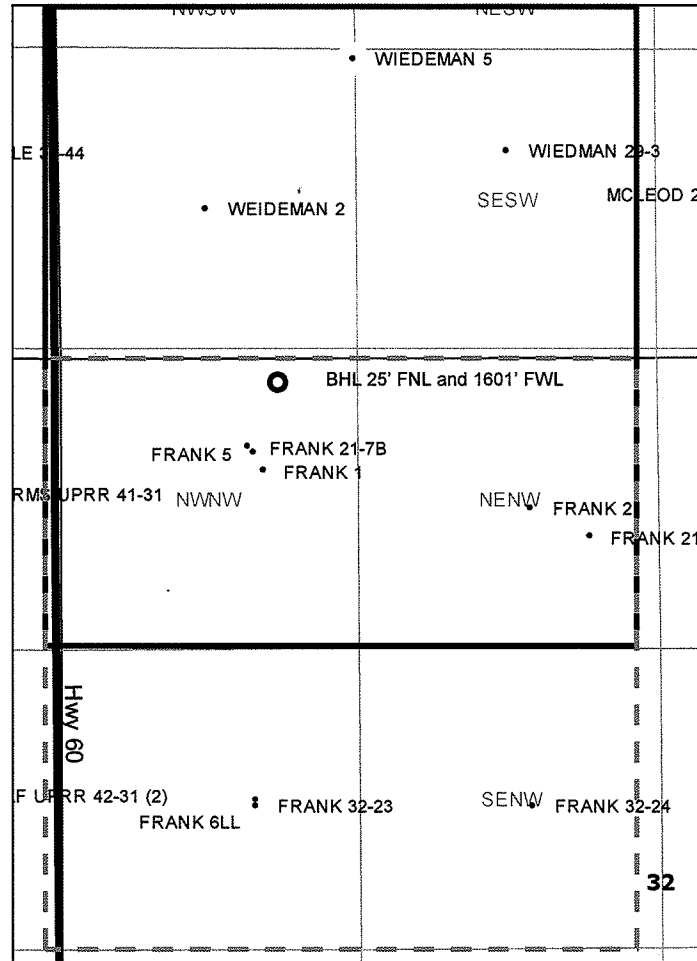
ROBERT D. THOMAS
COLORADO REGISTERED LAND SURVEYOR
NUMBER 11399



THOMAS SURVEY SERVICES, LLC
2619 WEST 11TH STREET ROAD, SUITE 24
GREELEY, COLORADO 80634
TELEPHONE: (970) 304-0984

PROJECT: 0805.016
DRAWING: MERIT FRANK 21-7B

Frank 21-7b
NW/4NW/4, Section 32, T4N, R64W
Surface Location



LEGEND



Proposed 160 acre Spacing Unit



Bottom Hole located in the NW/4NW/4, Section 32, T4N, R66W

The governmental $\frac{1}{4}$ section has less than 8 Bottom hole wells producing from the Codell, Niobrara & J-sand formations.