



CAERUS Oil & Gas, LLC
600 Seventeenth Street
Suite 1600N
Denver, CO 80202

October 24, 2016

Matt Lepore, Director
Colorado Oil and Gas Conservation Commission
Department of Natural Resources
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: K&H Ranches MN 1-661 Pad – 14 Proposed Wells North; 14 Proposed Wells South; all on one pad

Request for Exception to Rule 318.A.a – S2SW4, Section 1, T6N-R61W, Weld County, Colorado

K&H Ranches 1-661-5701BH (Doc. No. 400889683), K&H Ranches 1-661-5701CH (Doc. No. 400889712), K&H Ranches 1-661-5802AH (Doc. No. 400889720), K&H Ranches 1-661-5802XBH (Doc. No. 400890998), K&H Ranches 1-661-5802XCDH (Doc. No. 400891106), K&H Ranches 1-661-5802XCH (Doc. No. 400891249), K&H Ranches 1-661-5903XAH (Doc. No. 400891285), K&H Ranches 1-661-5903XAH2 (Doc. No. 400891696), K&H Ranches 1-661-5903XBH (Doc. No. 400893588), K&H Ranches 1-661-5903XCH (Doc. No. 400893599), K&H Ranches 1-661-6004XAH (Doc. No. 400893623), K&H Ranches 1-661-6004XBH (Doc. No. 400894689), K&H Ranches 1-661-6004XCDH (Doc. No. 400894695), and K&H Ranches 1-661-6004XCH (Doc. No. 400894697)

Request for Exception to Rule 318.A.a - N2NW4, Section 12, T6N-R61W, Weld County, Colorado

K&H Ranches 12-661-0157XBH (Doc. No. 400976271), K&H Ranches 12-661-0157XCH (Doc. No. 400976277), K&H Ranches 12-661-0258XAH (Doc. No. 400976291), K&H Ranches 12-661-0258XBH (Doc. No. 400976303), K&H Ranches 12-661-0258XCDH (Doc. No. 400976311), K&H Ranches 12-661-0258XCH (Doc. No. 400976322), K&H Ranches 12-661-0359XAH (Doc. No. 400976345), K&H Ranches 12-661-0359XAH2 (Doc. No. 400976396), K&H Ranches 12-661-0359XBH (Doc. No. 400976409), K&H Ranches 12-661-0359XCH (Doc. No. 400976419), K&H Ranches 12-661-0460XAH (Doc. No. 400976433), K&H Ranches 12-661-0460XBH (Doc. No. 400976440), K&H Ranches 12-661-0460XCDH (Doc. No. 400976984), and K&H Ranches 12-661-0460XCH (Doc. No. 400976995)

Dear Director Lepore:

CAERUS WASHCO, LLC respectfully requests approval of an exception to Rule 318.A.a to allow the above named wells to be drilled at the above referenced location. Rule 318A.a. of the Colorado Oil and Gas Commission's Rules and regulations requires wells to be drilled and completed in a square with sides four hundred (400) feet in length, the center of which is the center of any quarter/quarter section or in the center of any quarter section with the four sides begin eight hundred (800) feet in length.

CAERUS WASHCO, LLC is requesting an exception to this rule based on Section 1, T6N-R61W and Section 12, T6N-R61W being an irregular section. The above listed wells are outside the GWA window. These wells are proposed outside the GWA window to maximize the production interval.



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CAERUS WASHCO, LLC has provided COGCC with a signed Surface Use Agreement. CAERUS WASHCO, LLC has obtained a waiver for Rule 318A.a from the surface owner in Section 4.7 of the "Surface Use Agreement".

Sincerely,
CAERUS WASHCO, LLC

A handwritten signature in black ink that reads "Reed Haddock". The signature is written in a cursive style with a large, stylized "R" and "H".

Reed Haddock
Sr. Regulatory Specialist
CAERUS WASHCO, LLC
600 17th Street, Suite 1600
Denver, CO 80202