

Surface Location Exception Waiver (Rule 318A.a & 318A.c.)

Petroleum Development Corporation as Operator of the following well:

Township 4 North, Range 68 West, 6th P.M.
Section 36: NW, Weld County, Colorado

Gaddis 36E-223: 250' FNL & 1270' FWL; Lat. N 40.27671°, Long. W 104.95617°
Gaddis 36J-203: 250' FNL & 1320' FWL; Lat. N 40.27671°, Long. W 104.95599°
Gaddis 36M-243: 250' FNL & 1370' FWL; Lat. N 40.27671°, Long. W 104.95581°

Hereby requests a Surface Location Exception Waiver from: **Gaddis Family Registered LLLP**, surface owner.

Pursuant to the following Colorado Oil and Gas Conservation Commission Rule(s):

318A.a. and 318A.c.

Colorado Oil and Gas Conservation Commission Rule 318A.a. designates five "drilling windows" per quarter section of land in the Greater Wattenberg Area (GWA) – 400'x400' boxes in the center of each quarter/quarter section, and an 800'x800' box in the center of the quarter section.

Colorado Oil and Gas Conservation Commission Rule 318A.c. also states that certain well locations must be "twinned" (be located within fifty (50) feet of an existing well).

As the surface owner(s), I understand that the above-captioned well location(s) fall outside of those drilling areas and are greater than fifty (50) feet from an existing well, and consent to those location(s) as planned. I hereby waive any requirements to comply with COGCC Rule 318A.a. and 318A.c. for the above-captioned well(s).

Surface Owner:

Gaddis Family Registered LLLP

BY: John W. Gaddis Signed this 4th day of Jan, 2012.
NAME: JOHN W. GADDIS
Printed Name