



Corporate Office

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Denver, Colorado 80203
303.860.5800
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3/7/2012

Department of Natural Resources
Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln St., Suite 801
Denver, CO 80203

Re: **Rule 318Ae – Proposed Spacing Unit**
Schaefer 10J-403
Section 10 Township 6 North, Range 63 West
Weld County, Colorado

Dear Director,

Petroleum Development Corporation doing business as PDC Energy ("PDC") hereby certifies to the Director that PDC holds all minerals in the proposed 320 acre wellbore spacing unit consisting of the W2 of Section 10, Township 6N, Range 63W; therefore, no 30-day notice is needed to owners in the proposed wellbore spacing unit. This horizontal well location crosses existing unit boundaries and requires the formation of the proposed unit. PDC hereby requests the Director to approve the well.

If you should have any questions or concerns regarding this permit, please contact the undersigned at (303) 860-5800.

Sincerely,

A handwritten signature in blue ink, appearing to read "Liz Lindow".

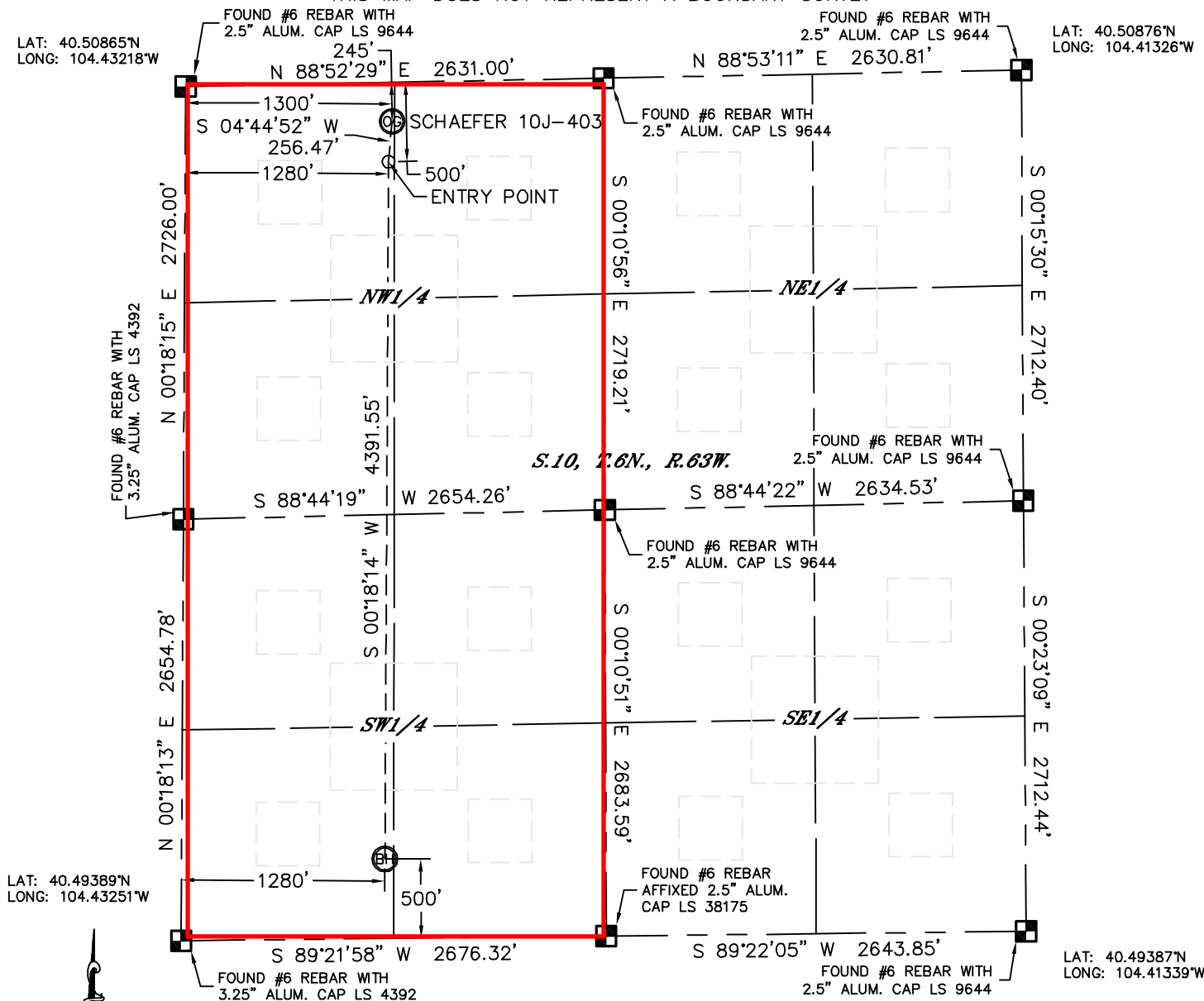
Liz Lindow
Permit Analyst
PDC Energy

Lat40°, Inc. 1635 Foxtrail Drive, Suite 325 Loveland, CO 970-776-3321

WELL LOCATION CERTIFICATE

SECTION: 10
TOWNSHIP: 6N
RANGE: 63W

THIS MAP DOES NOT REPRESENT A BOUNDARY SURVEY



In accordance with a request from Jeff Dillingham with PDC ENERGY Lat40', Inc. has determined the surface location of the SCHAEFER 10J-403 to be 245' from the NORTH line and 1300' from the WEST line and the bottom hole to be 500' from the SOUTH line and 1280' from the WEST line as measured at right angles from the section lines of Section 10, Township 6 North, Range 63 West of the Sixth Principal Meridian, County of Weld, State of Colorado.

I hereby state that this Well Location Certificate was prepared by me, or under my direct supervision, that the fieldwork was completed on 2/16/2012, for and on behalf of PDC ENERGY. That this is not a Land Survey Plat or an Improvement Survey Plat, and that it is not to be relied upon for establishment of fence, building, or other future improvement lines.

NOTE:

- 1) Bearings shown are Grid Bearings of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983/2007. The lineal dimensions as contained herein are based upon the "U.S. Survey Foot."
- 2) Ground elevations are based on an observed GPS elevation (NAVD 1988 DATUM).
- 3) IMPROVEMENTS: See LOCATION DRAWING for all visible improvements within 400' of disturbed area.
- 4) SURFACE USE: RANGELAND
- 5) INSTRUMENT OPERATOR: WYATT HALL

SURFACE LOCATION

LAT: 40.50801°N
LONG: 104.42752°W
PDOP: 1.4
ELEV: 4697'
1/4,1/4: NW1/4NW1/4
NEAREST PROPERTY LINE: 245' N

BOTTOM HOLE

LAT: 40.49526°N
LONG: 104.42788°W

ENTRY POINT

LAT: 40.50731°N
LONG: 104.42761°W

NOTE

According to Colorado law, you must commence any legal action based upon any defect in this W.L.C. within three years after you discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years after the date of the certificate shown hereon. (13-80-105 C.R.S.)



LEGEND

= ALIQUOT MONUMENT AS DESCRIBED



= CALCULATED POSITION

Brian T. Brinkman—On behalf of Latigo, Inc.

Colorado Licensed Professional

Land Surveyor No. 38175

DATE: 2/20/2012
PROJECT#: 2011292

