



Corporate Office

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May 21, 2014

State of Colorado, Oil & Gas Conservation Commission
Attn: Matt Lepore
1120 Lincoln Street, Suite 801
Denver, CO 80203

Re: **Letter to the Director, Rule 317.o Exception Request – Cased Hole Log**
Chesnut 27G-301, Chesnut 27G-421, Chesnut 27K-241, Chesnut 27K-401, Chesnut 27K-301,
Chesnut 27K-421, Chesnut 27O-241, Chesnut 27O-401
NWSW, Section 27 T5N R64W
Weld County, Colorado

Dear Director:

PDC Energy ("PDC") intends to drill and produce the above referenced horizontal oil and gas well(s), to be located as described above. PDC respectfully requests the Director to approve an exception to Rule 317.o for the referenced proposed wells, in lieu of running an open hole log, PDC will run a Gamma Ray/ Neutron (GR/N) log along with our normal CBL.

1. The GR/N gives the information needed to identify formation tops, bases and other stratigraphic markers by depth.
2. The CBL is designed to verify cement job quality & casing depths – it can determine the base of surface casing.
3. From the GR/N the depth of the top & base of the aquifer can be picked – the setting depth of the base of the surface casing is picked from the CBL – comparing the aquifer depth & the surface casing depth gives surface casing coverage across & below the base of the aquifer.

A cased hole neutron, CBL, and gamma ray will be run on the 7" first string, from the top of the curve to the surface, on one of the first wells drilled on this pad. The Drilling Completion Report - Form 5 - submitted for each well on the pad will specify that no open hole logs were run. Each form 5 will specify the well by API# and name on which the cased hole neutron log was run. A measured while drilling log with gamma ray will be run on the horizontal portion of each well on the pad. PDC hereby requests the Director to grant an exception to Rule 317.o.

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 that reads "Julie Webb".

Julie Webb
Regulatory Analyst
PDC Energy, Inc.