



Corporate Office
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May 26, 2016

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

Re: **Rule 318A.a., A.c. Exception Location Request**
Kinzer 5N67W28I Pad, SWSW Sec. 28 T5N R67W, Weld County, Colorado
Wells: Kinzer 28G-232 (doc #401054617), Kinzer 28G-332 (doc #401054699), Kinzer 28H-202 (doc #401054734), Kinzer 28H-212 (doc #401054761), Kinzer 28H-302 (doc #401054809), Kinzer 28H-432 (doc #401054842), Kinzer 28I-202 (doc #401054865), Kinzer 28I-312 (doc #401054881)

Dear Director:

PDC Energy, Inc. ("PDC") is requesting an exception the following COGCC Rules:

Rule 318A.a. GWA, GWA wells, GWA windows and unit designations

COGCC Rule 318A.a designates five "drilling windows" per quarter section of land in the Greater Wattenburg 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.

Rule 318A.c. Surface locations

COGCC Rule 318A.c. also states that certain well locations must be "twinned" (located within fifty (50) feet of an existing well.

The location(s) are planned outside of a GWA window and are not within 50' of an existing well. This location is a good location in order to drill horizontal wells with sufficient lateral length in the producible zone and build sufficient production facilities on location.

We respectfully request that you approve this waiver to reduce the impact on the surface owner and surface operations. Attached is the Exception Location Waiver signed by the surface owner, Edward J. Kinzer.

If you have any questions, please contact the undersigned at (303) 860-5800.

Sincerely,

A handwritten signature in cursive script that reads "Kelsi Welch".

Kelsi Welch
Regulatory Analyst
PDC Energy, Inc.