



District Office  
4000 Burlington Avenue  
Evans, CO 80620  
970-506-9272  
www.pdce.com

10/26/2017

Mr. Gregory Hause  
27124 CR 70  
Gill, CO 80624

Re: **Owl Creek 3 Re-Entry P&A Operations**  
Township 6 North, Range 64 West, of the 6th P.M.  
Section 15: Northeast Quarter of the Northwest Quarter  
Tax Parcel Number(s): 080115000047  
Address: 27124 CR 70  
Weld County, Colorado

Dear Mr. Hause,

I'm writing to confirm the details of our recent discussions regarding the impending Owl Creek 3 well re-entry and plug and abandon operations PDC Energy, Inc. needs to conduct on your property. We are being required by the Colorado Oil and Gas Conservation Commission (COGCC) to find, re-open and re-plug the Owl Creek 3 well that was originally plugged and abandoned on May 17, 1994 by St. James Energy Operating, Inc. In this particular situation, the COGCC has determined, based on past records, that, due to its proximity to a new horizontal well bore, the Owl Creek 3 well does not contain enough plugging material to protect it from potential fracking pressures in the new horizontal well. As such, we've been tasked with re-opening the well, drilling out the existing plugging materials and re-plugging the well to current standards.

As we've discussed, re-entry operations are exploratory in nature both in initially locating the buried well bore and then later in determining what type of material could potentially be down the well itself. Because of this we are unable to determine at the outset exactly how much and what types of equipment we will need. Therefore we'll need a work area with a radius of 150 feet in each direction from the well bore, once discovered. In addition to the work area we will need a 12 foot wide access road from your field road into the work area.

We will begin our operations by using the COGCC recorded GPS coordinates of the well bore, metal detection equipment and a backhoe to locate the well in your field. Once the well is located and verified, we will hot tap the well bore to assure there is no gas or oil present, cut the cap from the well and weld on new pipe to bring the level of the well back to surface grade so we can attach a well head and re-enter the well bore with a workover rig. Depending on the condition of the well, the plugging operations could take anywhere from several days to several weeks. We will, however, make every effort to complete the work as quickly as is safely possible.

Once the well bore location is determined we will fence our work area with an electric fence, per your request. Additionally, as closely to the outset of operations as possible, PDC will reimburse you ~~\_\_\_\_\_~~ to cover expenses related to our operations on your property including, but not limited to: crop loss, supplemental livestock feed and reclamation/re-seeding work in your field. By

signing this agreement you acknowledge that this one-time payment will cover all expenses, not including extraordinary damages, related to our operations on your property and that your grant PDC Energy 30 days access to the property in relation to this operation beginning November 1, 2017. In exchange PDC Energy agrees to the conditions set forth above and to conduct operations safely and efficiently and within all applicable State and County regulations. PDC also agrees that, upon completion of our operations, we will rip the ground within our work area to remove compaction and prepare the soil for discing and re-seeding by the farmer.

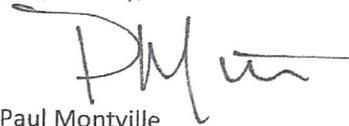


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BY: Gregory Hause, Owner

As always, should you have any further questions or concerns please do not hesitate to contact me.

Respectfully,



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Surface Landman  
PDC Energy, Inc.  
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Evans, CO 80620  
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