



Corporate Office
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January 29, 2020

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

Re: **Rule 603.a.(2) Exception Location Request**

Schrute 5N64W16 1-10 Pad, Part of the S/2 and Part of the SW, Sec. 16, T5N-R64W, Weld County, Colorado

Wells: Schrute 1N (Doc 402119663), Schrute 2N (Doc 402298029), Schrute 3N (Doc 402298036)

Dear Director:

PDC Energy, Inc. ("PDC") is requesting an exception to Rule 603.a.(2) for the above-captioned well(s).

Rule 603.a.(2) Statewide Location Requirements: A well shall be located not less than one hundred fifty (150) feet from a surface property line. The Director may grant an exception if it is not feasible for the Operator to meet this minimum distance requirement and a waiver is obtained from the offset Surface Owner(s). An exception request letter stating the reasons for the exception shall be submitted to the Director and accompanied by a signed waiver(s) from the offset Surface Owner(s). Such waiver shall be written and filed in the county clerk and recorder's office and with the Director.

The surface owner is also the owner of the encroached upon lands. Attached is the Exception Location Waiver signed by the surface owner, Theodore A. Buderus, President of Lower Latham Reservoir Company.

If you have any questions, please contact the undersigned at (303) 831-3931

Sincerely,

A handwritten signature in black ink, appearing to read "Ally Ota".

Ally Ota
Regulatory Technician
PDC Energy, Inc.