



**Corporate Office**

1775 Sherman Street, #3000  
Denver, Colorado 80203  
303.860.5800  
www.petd.com

September 28, 2010

*VIA USPS CERTIFIED MAIL*  
*(Tracking Number 7009 3410 0000 3277 5765)*

John Smartt Ranch, Inc.  
Attn: Lori Smartt  
27311 County Road MM  
McClave, CO 81053

Notice of Drilling Operations  
Well Name: **Smartt Ranch 33-2**  
Section 2, T22S, R49W (See Map Attached for Location)  
Bent County, Colorado

Dear Ms. Smartt,

In accordance with the requirement of Rule 305.e.(1).B. of the Colorado Oil and Gas Conservation Commission (COGCC), this letter serves as a 30-day notice by PDC Energy doing business as Petroleum Development Corporation (PDC) of its intention to conduct drilling operations on the captioned well.

You will be contacted shortly to schedule a consultation to discuss the location of the well site, access roads, production facilities and other related matters; however the well location may be staked prior to a consultation. Pursuant to Rule 306, you may also use the enclosed postage prepaid postcard to request a consultation or designate a representative for surface consultation. You may waive the 30-day notice requirement; if so desired, please indicate on the enclosed letter and return to my attention in the prepaid envelope.

Also enclosed is a site diagram that depicts the area, per COGCC rules, within which the well(s) may be located, and the proposed location of the well(s), access road(s), and production facilities. Additionally, enclosed please find a copy of the COGCC's brochure describing surface owner rights and responsibilities and a copy of the COGCC's on-site inspection policy.

As surface owner you have the responsibility of notifying any affected tenant farmer, lessee or other party that may own or have an interest in any crops or surface improvements that could be affected by these proposed operations.

Should you have any further questions please feel free to contact the undersigned at 303-860-5800.

Sincerely,  
PDC Energy

A handwritten signature in blue ink, appearing to read "Sarah Garrett".

Sarah Garrett  
Regional Landman