

Surface Location Exception Waiver (Rule 318A.a & 318A.c.)

Petroleum Development Corporation as Operator of the following wells:

Township 7 North, Range 64 West, 6th P.M.

Section 20: E/2

Weld County, Colorado

Dillard 20M-203: 350' FNL & 2460' FWL; Lat N 40.56471°, Long. W 104.57280°

Dillard 20R-443: 320' FNL & 2460' FWL; Lat N 40.56480°, Long. W 104.57280°

Dillard 20R-203: 290' FNL & 2460' FWL; Lat N 40.56488°, Long. W 104.57280°

Dillard 20T-401: 381' FSL & 621' FEL; Lat N 40.55213°, Long. W 104.56634°

Dillard 20T-221: 381' FSL & 591' FEL; Lat N 40.55213°, Long. W 104.56623°

Dillard 20Y-401: 380' FSL & 561' FEL; Lat N 40.55213°, Long. W 104.56612°

Hereby requests a Surface Location Exception Waiver from: Dillard Family L.L.C., surface owner.

Pursuant to the following Colorado Oil and Gas Conservation Commission Rule(s):

318A.a. and 318A.c.

Colorado Oil and Gas Conservation Commission Rule 318A.a. designates five "drilling windows" per quarter section of land in the Greater Wattenberg 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.

Colorado Oil and Gas Conservation Commission Rule 318A.c. also states that certain well locations must be "twinned" (be located within fifty (50) feet of an existing well).

As the surface owner(s), I understand that the above-captioned well location(s) fall outside of those drilling areas and are greater than fifty (50) feet from an existing well, and consent to those location(s) as planned. I hereby waive any requirements to comply with COGCC Rule 318A.a. and 318A.c. for the above-captioned well(s).

Alden V. Hill

BY: Herschel Dillard
Herschel Dillard

Signed this 12 day of Dec, 2012.