From:	Liz Lindow
To:	Deranleau - DNR, Greg
Subject:	RE: Simmons meeting
Date:	Monday, December 10, 2012 11:00:53 AM

HI Greg,

Can I email you the sundry since this is so time sensitive? I have all the paperwork ready to submit, but was wondering if you would take an email copy in this case since the well is set to spud on Fridy?

Thanks,
Liz

From: Liz Lindow
Sent: Wednesday, December 05, 2012 3:58 PM
To: Deranleau - DNR, Greg
Subject: RE: Simmons meeting

Thank you!

Liz Lindow | Regulatory Analyst | PDC Energy | O: 303-831-3974 | F: 303-860-5838 | liz.lindow@pdce.com

From: Deranleau - DNR, Greg [mailto:greg.deranleau@state.co.us]
Sent: Wednesday, December 05, 2012 3:57 PM
To: Liz Lindow
Cc: Sarah Freeman - DNR
Subject: Fwd: Simmons meeting

Liz, PLease see the discussion below concerning the onsite and my recommendations.

Thanks,

---------- Forwarded message ----------
From: **Deranleau - DNR, Greg** <greg.deranleau@state.co.us>
Date: Fri, Nov 30, 2012 at 10:29 AM
Subject: Re: Simmons meeting
To: "Eric G. Swenson" <Eric.Swenson@pdce.com>
Cc: "Mark S. Alessi" <Mark.Alessi@pdce.com>, "Aaron J. Clyncke" <Aaron.Clyncke@pdce.com>, frontrangefarmer@aol.com

Eric,

I appreciate PDC's continued efforts to work through this issue. My "take away" from the onsite meeting Wednesday is that Mr. Simmons' overwhelmingly strong preference is that PDC drill directionally from a point as far east as possible. The eastern alternative surface hole location we discussed is approximately 300' east-northeast of the currently staked and permitted Simmons 42-20 location. If PDC is not able, or willing to move to that location, the next best alternative would be the location I proposed, approximately 200' south of the current location.

Issues discussed at the onsite included:

1. A 16" PVC pipeline running north-south to the east of the staked location--Mr. Simmons expressed concern over potential damage caused by heavy equipment crossing pipe; PDC advised that the pipe could be protected or, if damaged, it would be repaired;
2. Mr. Simmons desire for future development of a home in the southern portion of his property;
3. Separation from the Veternary Hospital building--this had previously been the highest level concern raised; COGCC explained that our setback Rules do not apply to animal hospitals but were intended for protection of human patients;
4. Separation from his current residence--Mr. Simmons' preferred location provides approximately the same separation from the house as the COGCC proposed location to the south, both are farther than the current permitted location;
5. Disturbance of flood irrigation--PDC explained that any disturbance to field drainage would be temporary and would be repaired;
6. COGCC setback requirements for property lines;
7. COGCC legal drilling window configurations and requirements for obtaining waivers if SHL outside the window; and
8. Proposed mitigation for noise and other issues that would be required of PDC for any drilling operations;

During the discussion, parties parties walked to all 3 potential location. Upon hearing concern regarding the future development plans for the southern portion of the property, PDC took the position that the current permitted location was the likely best option, while Mr. Simmons continued to assert that the eastern location was preferred. However, upon standing at the southern location both Mr. Simmons and PDC agreed that if the well would not be drilled directionally from the eastern location, the southern location would be the next best option.

All parties agreed that PDC would re-evaluate the feasibility of drilling the Simmons 42-20 to its current BHL from the surface owner's preferred SHL to the east of the current, permitted location. The second choice would be to drill from a SHL as far south in the drilling window and as far east as setbacks to property lines would allow.

In order to move the SHL, COGCC requires the following to be submitted for prior approval:

1. Form 4 Sundry Notice for the WELL, including the follwing:

- SHL change information, including footages, etc.
- Deviated drilling plan,
- Revised surface location setback information,
- Exception Location Request (to move SHL outside drilling window),
- Signed waivers from surface owner for exception location request,
- New well plat.

2. Form 4 Sundry Notices for the LOCATION, including the following:

- Revised surface location setback information
- Any information on the Form 2A that changes as a result of the move
- New Location Drawing showing all visible improvements within 400 feet of the location
- Revised Hydrology Map including all water features within 1000 feet of the location
- Revised Access Road Map

- Updated Location Pictures

If the eastern location is selected, COGCC would consider amending the approved facilities location to add the proposed well, however, that would require the submittal of a Form 2A, subject to the 20 day comment period.

I look forward to discussing the path forward with you and resolving this issue. If anyone feels that I have mischaracterized the meeting or results, please respond to correct me. If you have any questions please contact me.

Thanks,

On Wed, Nov 28, 2012 at 1:41 PM, Eric G. Swenson <Eric.Swenson@pdce.com> wrote:

Hi Greg,

I wanted to thank you for meeting with Jake Simmons today. I hear it took several hours to pin down what he really wanted. From speaking with Mark Alessi, it looks like Mr. Simmons would prefer the Surface Location north east closer to the tank battery. From our prior talks with Mr. Simmons this would put the location at 1792' FNL, 298' FEL.

Since this location is for horizontal evaluation, we still need to keep the Bottom Hole Location the same as currently permitted. Thus, this surface move would require us get directional surveys and a surface location waiver from the landowner. I have two questions:

1. IF we decide to move the surface location to Mr. Simmons preferred location *outside* the legal window, can we just Sundry the Surface Hole Location Move & designate it now as a directional well (thus submitting directional surveys)? If yes, how long can you turn around the approval to drill the directional well?

2. Do we have to get a surface location waiver for the location?

Again, I appreciate all your help on the matter. Hopefully the meeting today will allow you to close the complaint.

Thanks again,

Eric Swenson
303-831-3917

From: Deranleau, Greg [mailto:greg.deranleau@state.co.us]
Sent: Friday, November 23, 2012 11:28 AM
To: Mark S. Alessi
Cc: Eric G. Swenson
Subject: Re: Simmons meeting

Mark,
Thanks for setting this up. It will be a bit of a squeeze for me to make it out there by 9:30 (My wife is travelling, so I will be responsible for getting our daughter to school that morning), but I should be able to be there.

I look forward to meeting you.
Greg

On Wed, Nov 21, 2012 at 9:11 AM, Mark S. Alessi <Mark.Alessi@pdce.com> wrote:
Mr. Deranleau,
I have contacted Mr. Jake Simmons and have scheduled a meeting on site at 9:30am Wednesday, November 28 to discuss possible alternatives and address Mr. Simmons concerns. Please let me know if this time doesn't work for you. I'm looking forward to seeing you there and we appreciate your help in this matter.

Thank you,

Mark Alessi
PDC Energy
Surface Landman
3801 Carson Avenue
Evans, Colorado 80620
Office: (970) 506-9272
Cell: (970) 420-1661
Fax: (970) 506-9276
Mark.Alessi@pdce.com

www.pdce.com
NASDAQ: PDCE

Please Note Email, Web Address & Ticker Change

This email, including attachments, may include confidential and/or proprietary information, and may be used only by the person or entity to which it is addressed. Please do not read, copy or disseminate this communication unless you are the intended addressee. If you received this communication in error, please permanently delete and call (970) 506-9272 immediately and ask to speak to the sender of this communication. Also, please notify immediately via e-mail that you have received this message in error.

--
Greg Deranleau
Oil and Gas Location Supervisor
Colorado Oil and Gas Conservation Commission
303-894-2100 ext. 5153

--
Greg Deranleau

Oil and Gas Location Supervisor
Colorado Oil and Gas Conservation Commission
303-894-2100 ext. 5153

--
Greg Deranleau
Oil and Gas Location Supervisor
Colorado Oil and Gas Conservation Commission
303-894-2100 ext. 5153