



Kerr-McGee Oil & Gas Onshore LP

A subsidiary of Anadarko Petroleum Corporation

1099 18th Street
Denver, CO 80202
720-929-6000

November 11, 2014

Department of Natural Resources
Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln St., Suite 801
Denver, CO 80203

Re: Operator Request Letter to Rule 318A.n
MILK STATE 29N-21HZ
Township 3 North, Range 65 West
Section 21: SE ¼ SW ¼
Weld County, Colorado

Ladies/Gentlemen:

Kerr-McGee Oil & Gas Onshore LP (KMG) is making application for a drilling permit for the above captioned well. As currently planned, the wellbore(s) of the following well(s) listed in Section 1 will lie within 150 feet of the horizontal lateral of the captioned well.

SECTION 1:

1. 05-123-12549	FRANK 1-21C	PDC Energy Inc
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As currently planned, the wellbore(s) of the following well(s) listed in Section 2 will lie within 150 feet of the captioned well (but greater than 150 feet from the horizontal section of the captioned well).

SECTION 2:

1. PLANNED LOCATION	MILK 36N-28HZ	Kerr-McGee Oil and Gas Onshore LP
2. PLANNED LOCATION	MILK 36C-28HZ	Kerr-McGee Oil and Gas Onshore LP
3. PLANNED LOCATION	MILK STATE 3N-21HZ	Kerr-McGee Oil and Gas Onshore LP
4. PLANNED LOCATION	MILK 14N-28HZ	Kerr-McGee Oil and Gas Onshore LP
5. PLANNED LOCATION	MILK 35N-28HZ	Kerr-McGee Oil and Gas Onshore LP
6. PLANNED LOCATION	MILK STATE 29C-21HZ	Kerr-McGee Oil and Gas Onshore LP
7. PLANNED LOCATION	MILK STATE 28N-21HZ	Kerr-McGee Oil and Gas Onshore LP

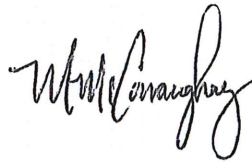
Prior to drilling operations, Operator will perform an anti-collision review of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision review may include MWD or gyro surveys and surface locations of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottom hole location. The proposed well will only be drilled if the anti-collision review results indicate that the risk of collision is sufficiently low as defined by the anti-collision plan, with separation factors greater than 1.5, or if the risk of collision has been mitigated through other means including shutting in wells, plugging wells, increased drilling fluid in the event of lost returns or as is appropriate for the specific situation. In the event of an increased risk of collision, that risk will be mitigated to prevent harm to people, the environment or property. For the proposed well, upon conclusion of drilling operations, an as-constructed directional survey will be submitted to COGCC with the Form 5.

Rule 318A.n of the Colorado Oil and Gas Commission's Rules and Regulations does not allow the lateral of a horizontal well to be drilled within 150 feet of other wells unless this requirement is waived by the Operator of the encroached-upon well(s). Signed written waiver(s) of the encroached-upon well(s) are attached to the APD.

KMG respectfully requests the Director to accept this Operator Request Letter to allow the lateral of the above referenced well to be drilled within 150 feet of the well(s) listed in Section 1 above.

Very truly yours,

Kerr-McGee Oil & Gas Onshore LP

A handwritten signature in black ink, appearing to read "Mike McConaughey". The signature is fluid and cursive, with a large initial "M" and "C".

Mike McConaughey
Sr. Regulatory Analyst



KERR-McGEE OIL & GAS ONSHORE LP
1099 18TH STREET, SUITE 1800
DENVER, CO 80202-1918
P.O. Box 173779
DENVER, CO 80217-3779
720-929-6000

November 12, 2014

PDC Energy, Inc.
1775 Sherman Street, Suite 3000
Denver, CO 80203

Re: MILK STATE 29N-21HZ
Township 3 North, Range 65 West, 6th P.M.
Section 21: SESW
Weld County, Colorado

Dear Sir/Madam:

Kerr-McGee Oil & Gas Onshore LP is applying for a permit to drill the captioned horizontal well. Pursuant to Rule 318A.n, the COGCC requires that operators proposing horizontal wells obtain waivers from operators of wells within 150 feet of the proposed horizontal wellbore.

As currently planned the wellbores of the following well(s), which are operated by PDC Energy, Inc., lie within 150 feet of the horizontal lateral of the captioned well:

1) FRANK 1-21C

05-123-12549

If PDC Energy, Inc. is in agreement to waive Rule 318A.n. please sign in the space provided below and return one original copy to the undersigned (address listed above).

KERR-McGEE OIL & GAS ONSHORE LP
A wholly owned subsidiary of Anadarko Petroleum Corporation

Sincerely,

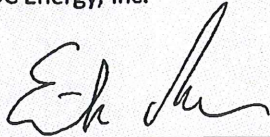
Mike McConaughey
Sr. Regulatory Analyst

Enclosure: Survey plat

As operator of the above referenced well(s) lying within 150 feet of the wellbore of the above captioned well, PDC Energy, Inc. hereby waives the one hundred and fifty foot (150') minimum intrawell distance as specified in COGCC Rule 318A.n.

Accepted and agreed to this 18 day of NOV, 2014.

PDC Energy, Inc.



By: ERIK ROACH

Title: LEAD ENGINEER

WELL HAS BEEN PLUGGED AWAITING FINAL PAPER WORK