



Corporate Office

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

June 3, 2015

VIA E-MAIL

Matthew Lepore, Director
Colorado Oil and Gas
Conservation Commission
1 120 Lincoln Street
Denver, CO 80203

Re: **Request for Expedited Approval of a Form 2A pursuant to Rule 303.i.(2)**
R&R Farms 5N63W29L Pad (Doc #400833009)
Related Wells: R&R Farms 29I-221 (Doc #400829137), R&R Farms 29I-321 (Doc #400829139),
R&R Farms 29I-401 (Doc #400829140), R&R Farms 29L-241 (Doc #400829141), R&R Farms 29L-
301 (Doc #400829142) and R&R Farms 29L-441 (Doc #400829146)
SWSW of Section 29, T5N, R63W
Weld County, Colorado

Dear Director Lepore:

I am writing in regards to a request for expedited approval of the subject Form 2A pursuant to Rule 303.i.(2). On May 28, 2015 PDC Energy ("PDC") submitted the subject Form 2A Location Assessment to build the subject surface location in Weld County. To date, PDC has received no objections to this proposed location.

Unfortunately, special circumstances exist that necessitate the Form 2A be approved sooner than the 20 day comment period. Specifically, PDC is requesting expedited approval for pad construction in order to keep their current contracted rig in continuous operations. Due to the increased efficiency and speed of PDC's new rigs, drilling time has increased by roughly 60% (from 14 days to 8-10 days). Because of this, PDC has needed to submit more permits in a short time frame in order to keep the drill schedule full. PDC is hoping to commence construction on the subject location as early as mid June in order to allow for a July 24, 2015 spud. If PDC is not able to spud, they will be forced to lay down their current contracted rig and incur an estimated economic loss of \$20,000 per day.

Additionally, delaying the drilling of the subject pad will also delay PDC's adjacent pad, R&R Farms 5N63W29Q Pad (Doc # 400834176), which is currently being processed at the COGCC for approval. Due to PDC's drilling and completion method, the two pads must be drilled and completed simultaneously. Without the approval of the R&R Farms 5N63W29L Pad (Doc #400833009), PDC will incur additional significant economic hardship.

The Form 2 Applications for Permits to Drill (APDs) related to the R&R Farms 5N63W29L Pad (Doc #400833009) were submitted on May 14, 2015. Fortunately, PDC should have enough time for the Form

2 APDs to pass the 20 day public comment period and these APDs should not need an expedited approval in order to keep the contracted rig drilling.

Since the subject location is in a buffer zone; PDC has obtained waivers from the surface owner, the owner of the building unit within the buffer zone and the Local Government Designee waiving the 305.c 20-day comment period. Further, PDC has collaborated with the surface owner and obtained a surface use agreement (SUA). Please find copies of those waivers and the signed SUA enclosed with this letter.

The undersigned hereby swears to the accuracy of the information contained in this request and the description of the situation necessitating expedited approval. Based on this sworn statement and the aforementioned agreement of an existing SUA between PDC and the surface owner and the provided Rule 305.c waivers, PDC hereby respectfully requests that you issue the Form 2A that was submitted by PDC for the subject location without consultation pursuant to Rule 303.i.(2).

If you should have any questions or concerns regarding this permit, please contact the undersigned at (303) 831-3974.

Sincerely,

A handwritten signature in cursive script that reads "Kelsi Welch".

Kelsi Welch
Regulatory Analyst
PDC Energy, Inc.

Notification and Meeting Exception Waiver
(Rule 305.a., 305.c., 306.e., 604.c.(2)., MIRU Policy)

PDC Energy, Inc. as Operator of the following proposed well(s):

R & R Farms 29I-221, R & R Farms 29I-321, R & R Farms 29I-401, R & R Farms 29L-241, R & R Farms 29L-301, R & R Farms 29L-441, R & R Farms 29L-201, R & R Farms 29L-321, R & R Farms 29L-421, R & R Farms 29Q-421, R & R Farms 29Q-301, R & R Farms 29Q-441

*Township 5 North, Range 63 West, 6th P.M.
Section 29: South 1/2 South West 1/4
Tax Parcel Number(s): 096529300035
Weld County, Colorado*

Hereby requests a Notification and Meeting Exception Waiver from ***R & R Farms, LLC.***, owner of a building unit within the 1000' Buffer Zone of the aforementioned well locations.

Pursuant to the following Colorado Oil and Gas Conservation Commission ("COGCC") Rules:

Rule 305.a. Pre-application notifications

For Oil and Gas Locations proposed within an Urban Mitigation Area or within the Buffer Zone Setback, an Operator shall provide a "Notice of Intent to Conduct Oil and Gas Operations" to the persons specified herein not less than thirty (30) days prior to submitting a Form 2A Oil and Gas Location Assessment to the Director.

Rule 305.c. Completeness determination and comment period notifications

Upon receipt of a completeness determination from the Director, an Operator shall notify Building Unit owners within 1000' of the oil and gas location of their opportunity to meet with the Operator and submit written comments about the proposed oil and gas location to the Director, the LGD, and the Operator.

Rule 306.e. Meetings with Building Unit Owners Within a Buffer Zone Setback

Building Unit owners within 1000' of the proposed Oil and Gas Location may request a meeting with the Operator to discuss proposed operations and associated potential concerns such as security, noise, light, odors, dust, and traffic.

Rule 604.c.(2). Location Specific Requirements – Designated Setback Locations

Oil and Gas Locations proposed to be located within 1000' of a Building Unit are subject to mitigation measures listed in Rule 604.c.(2).A-W.

Move-In, Rig-Up ("MIRU") Policy

All Building Unit Owners within 1000' of a proposed Oil and Gas Location are eligible to receive a MIRU Notice at least thirty (30) days, but no more than ninety (90) days, prior to the drilling rig arriving on location.

A complete copy of the COGCC rules and policies is available at the following website: <http://cogcc.state.co.us/>.

As a Building Unit Owner, I understand that the aforementioned well locations are within 1000' of my building unit and I hereby waive the required notifications, meeting opportunities, and mitigation measures pursuant to the COGCC Rules 305.a., 305.c., 306.e., 604.c.(2)., and the MIRU Policy and consent to the aforementioned well locations as planned.

Building Unit Owner Name and Address:

Judy Joan Schmitt mgr
R & R Farms, LLC. , Judy Joan Schmidt, Registered Agent

4-7-15
Date

24334 County Road 61, Kersey, Colorado 80644
Address

Notification and Meeting Exception Waiver
(Rule 305.a., 305.c., 306.e., 604.c.(2)., MIRU Policy)

PDC Energy, Inc. as Operator of the following proposed well(s):

R & R Farms 29I-221, R & R Farms 29I-321, R & R Farms 29I-401, R & R Farms 29L-241, R & R Farms 29L-301, R & R Farms 29L-441, R & R Farms 29L-201, R & R Farms 29L-321, R & R Farms 29L-421, R & R Farms 29Q-421, R & R Farms 29Q-301, R & R Farms 29Q-441

*Township 5 North, Range 63 West, 6th P.M.
Section 29: South 1/2 South West 1/4
Tax Parcel Number(s): 096529300035
Weld County, Colorado*

Hereby requests a Notification and Meeting Exception Waiver from **Mike Kokes**, owner of a building unit within the 1000' Buffer Zone of the aforementioned well locations.

Pursuant to the following Colorado Oil and Gas Conservation Commission ("COGCC") Rules:

Rule 305.a. Pre-application notifications

For Oil and Gas Locations proposed within an Urban Mitigation Area or within the Buffer Zone Setback, an Operator shall provide a "Notice of Intent to Conduct Oil and Gas Operations" to the persons specified herein not less than thirty (30) days prior to submitting a Form 2A Oil and Gas Location Assessment to the Director.

Rule 305.c. Completeness determination and comment period notifications

Upon receipt of a completeness determination from the Director, an Operator shall notify Building Unit owners within 1000' of the oil and gas location of their opportunity to meet with the Operator and submit written comments about the proposed oil and gas location to the Director, the LGD, and the Operator.

Rule 306.e. Meetings with Building Unit Owners Within a Buffer Zone Setback

Building Unit owners within 1000' of the proposed Oil and Gas Location may request a meeting with the Operator to discuss proposed operations and associated potential concerns such as security, noise, light, odors, dust, and traffic.

Rule 604.c.(2). Location Specific Requirements – Designated Setback Locations

Oil and Gas Locations proposed to be located within 1000' of a Building Unit are subject to mitigation measures listed in Rule 604.c.(2).A-W.

Move-In, Rig-Up ("MIRU") Policy

All Building Unit Owners within 1000' of a proposed Oil and Gas Location are eligible to receive a MIRU Notice at least thirty (30) days, but no more than ninety (90) days, prior to the drilling rig arriving on location.

A complete copy of the COGCC rules and policies is available at the following website: <http://cogcc.state.co.us/>.

As a Building Unit Owner, I understand that the aforementioned well locations are within 1000' of my building unit and I hereby waive the required notifications, meeting opportunities, and mitigation measures pursuant to the COGCC Rules 305.a., 305.c., 306.e., 604.c.(2)., and the MIRU Policy and consent to the aforementioned well locations as planned.

Building Unit Owner Name and Address:


Mike Kokes

4-7-15
Date

31491 County Road 52
Address



Corporate Office

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

May 28, 2015

Troy Swain
Weld County Planning Department
Oil & Gas Specialist
1555 N. 17th Avenue
Greeley, CO 80631

Re: **Request for Expedited Approval of a Form 2A pursuant to Rule 303.i.(1)**
R&R Farms 5N63W29L Pad (doc #400833009)
Wells: R&R Farms 29I-221 (doc #400829137), R&R Farms 29I-321 (doc #400829139), R&R Farms 29I-401 (doc #400829140), R&R Farms 29L-241 (doc #400829141), R&R Farms 29L-301 (doc #400829142) and R&R Farms 29L-441 (doc #400829146)
SWSW, Section 29 T5N R63W
Weld County, Colorado

Dear Mr. Swain:

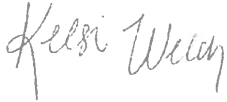
I am writing in regards to a request for expedited approval of the subject Form 2A pursuant to Rule 303.i.(1). On May 28, 2015 PDC Energy ("PDC") submitted the subject Form 2A Location Assessment to build the subject surface location in Weld County. To date, PDC has received no objections to this proposed location. The location is in a buffer zone; however PDC has obtained waivers from both the surface owner and the owner of a building unit within the buffer zone waiving the 305.c 30-day comment period. Further, PDC has collaborated with the surface owner and obtained a surface use agreement (SUA). A copy of those waivers and SUA is attached to this letter.

Unfortunately, special circumstances exist that necessitate the Form 2A be approved sooner than the 20 day comment period. Specifically, PDC is requesting expedited approval for pad construction in order to keep their current contracted rig in continuous operations. Due to the increased efficiency and speed of PDC's new rigs, drilling time has increased by roughly 60% (from 14 days to 8-10 days). Because of this, we have needed to submit more permits in a short time frame in order to keep the drill schedule full. PDC is hoping to commence construction on the subject location as early as mid June in order to allow for a July 24, 2015 spud. If PDC is not able to spud, they could be forced to temporarily lay down their current contracted rig, which would result in an estimated \$20,000 per day in economic loss.

The undersigned hereby swears to the accuracy of the information contained in this request and the description of the situation necessitating expedited approval. Based on this sworn statement and the aforementioned agreement of an existing SUA between PDC and the surface owner and the provided Rule 305.c waivers, PDC hereby respectfully requests that you waive the 305.c 20-day comment period for the location. Should you agree to this request, please indicate your approval by executing the bottom of this document.

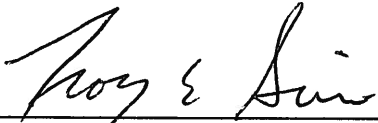
If you should have any questions or concerns regarding this permit, please contact the undersigned at (303) 831-3974.

Sincerely,

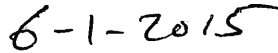


Kelsi Welch
Regulatory Analyst
PDC Energy, Inc.

I, Troy Swain, hereby waive the 305.c 20-day comment period for PDC's R&R Farms 5N63W29L Pad Form 2A located in SWSW, Section 29 T5N R63W.



LGD Signature



Date

MEMORANDUM OF
SURFACE USE AGREEMENT

ID: 4111405County: WELDDate: 6/1/2015 Time: 9:23 AM

WHEREAS, R & R Farms, LLC whose address is 24334 County Road 61, Kersey, Colorado 80644 ("Owner"), and PDC Energy, Inc., a Nevada corporation, whose address is 1775 Sherman Street, Suite 3000, Denver, Colorado 80203 ("Company"), entered into a Surface Use Agreement dated effective 5-13-15, 2015 (the "Agreement") covering and affecting the following described property (the "Property"), more fully described on Exhibit A, attached hereto:

Township 5 North, Range 63 West, 6th P.M.
Section 29: SW4
Tax Parcel Number(s): 096529300035
Weld County, Colorado

WHEREAS, Owner is the current owner of an interest in the surface estate of the property;

WHEREAS pursuant to the terms of the Agreement, Owner has granted to Company the right to enter upon and use the surface and subsurface of the Property for the purpose of exploring, developing, producing, and transporting oil, gas and associated hydrocarbons from the Property and lands pooled therewith.

WHEREAS, among other provisions, the Agreement grants Company the right to construct or install well pads, access roadways, pipelines, flowlines, electric lines, production facilities, and other associated equipment and facilities necessary or convenient for Company's oil and gas operations on the Property or lands pooled therewith.

WHEREAS, the Agreement shall remain in full force and effect until Company's leasehold estate in the Property and the lands pooled therewith expires or is terminated, and Company has plugged and abandoned all wells and conducted reclamation in accordance with the applicable rules and regulations of the Colorado Oil and Gas Conservation Commission.

NOW THEREFORE this Memorandum is placed of record for the purpose of giving notice of the Agreement. The parties acknowledge that they are bound by all of the terms and conditions of the Agreement and that the Agreement is a covenant running with the Property and binds and inures to the benefit of Owner and Company and their respective heirs, personal representatives, successors and assigns. The Agreement, with all of its terms, conditions, covenants and other provisions, is referred to and incorporated into this Memorandum for all purposes. Any person having a lawful right or legitimate interest in the Agreement may examine a copy of the Agreement at Company's office during normal business hours.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this instrument this 13 day of May, 2015.

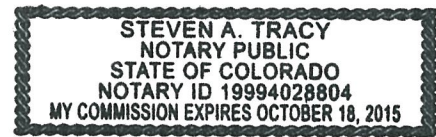
Owner:
R & R Farms, LLC

Operator:
PDC ENERGY, INC.

Judy Joan Schmidt
Name: Judy Joan Schmidt
Title: Registered Agent

O.F. Baldwin II
Name: O.F. Baldwin II
Title: Vice President Land

ACKNOWLEDGEMENTS



State of Colorado)
) §
County of Weld)

On this 13 day of May, 2015, before me personally appeared Judy Joan Schmidt known to me to be the persons described in and who executed the foregoing instrument, and who acknowledged to me that they executed the same.

(SEAL)

My commission expires: 10-18-15

Steven A. Tracy
Notary Public

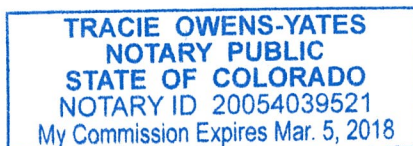
State of Colorado)
) §
City and County of Denver)

On this 27th day of May, 2015, before me personally appeared O.F. Baldwin II, Vice President Land, for PDC Energy, Inc., known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that they executed the same.

(SEAL)

My commission expires: 3/5/2018

Tracie Owens-Yates
Notary Public



E-RECORDED simplifile

ID: 4111405
County: WELD
Date: 6/1/2015 Time: 9:23 AM

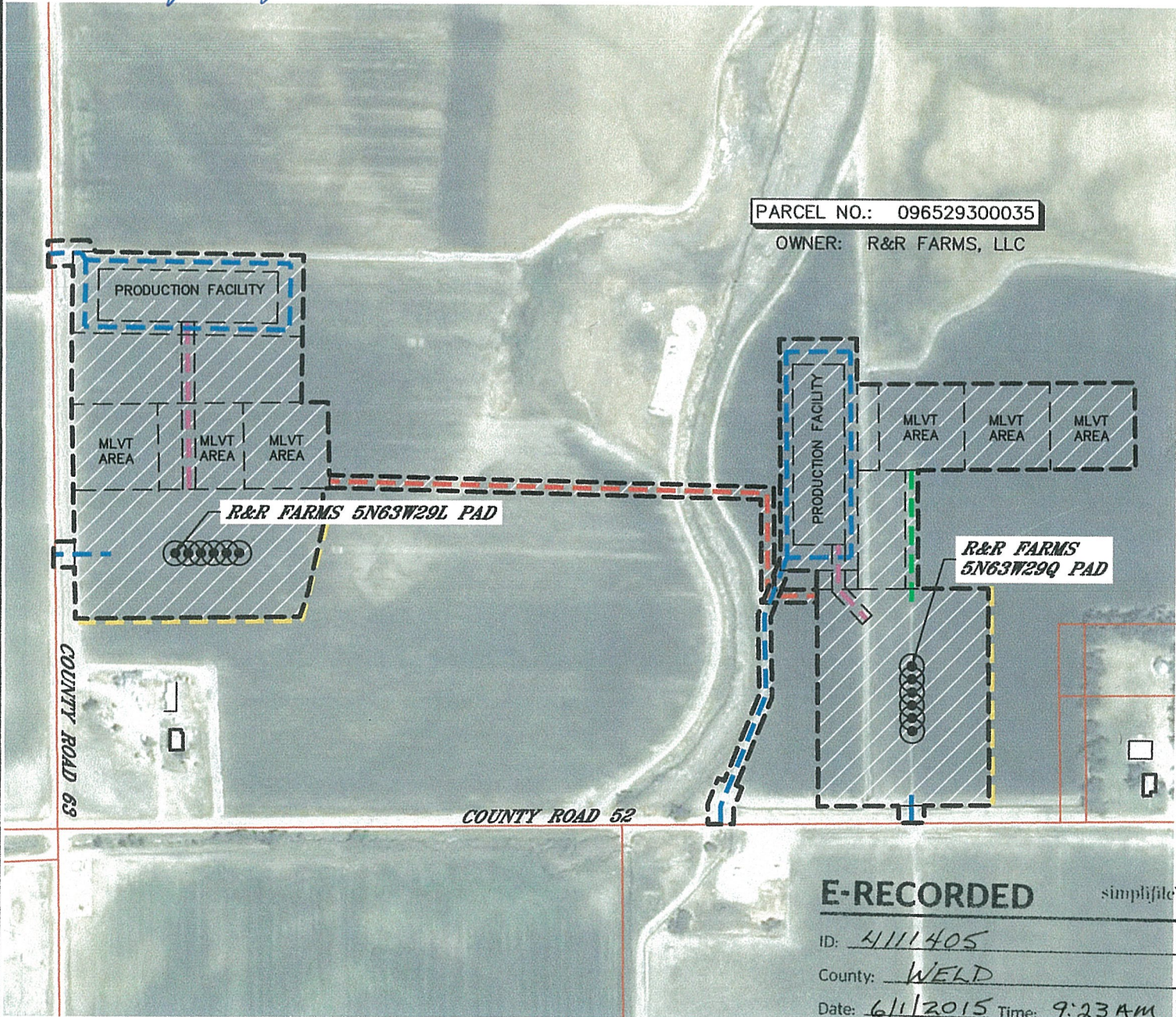
EXHIBIT "A" Page 1 of 5

This Exhibit "A" is attached to and made a part of that certain Surface Use Agreement by and between R&R Farms, LLC Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 5 North, Range 63 West, 6th P.M.
Section 29: SW4
Weld County, Colorado

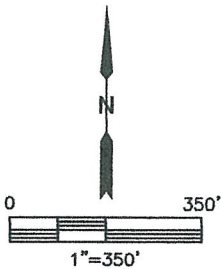
R&R Farms, LLC

BY: Judy Joann Schmitt mgr DATE: 4-7-15



LEGEND

- OIL AND GAS OPERATIONS AREA ("OGOA") = 23.5 ACRES
- APPROXIMATE ¼ PERMANENT ACCESS EASEMENT
- APPROXIMATE ¼ TEMPORARY ACCESS EASEMENT
- APPROXIMATE ¼ WATER LINE EASEMENT
- APPROXIMATE ¼ FLOWLINE EASEMENT
- SOUND WALL



DATE: 3/26/2015
PROJECT#: 2014131

EXHIBIT "A" Page 2 of 5

This Exhibit "A" is attached to and made a part of that certain Surface Use Agreement by and between R&R Farms, LLC Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 5 North, Range 63 West, 6th P.M.
Section 29: SW4
Weld County, Colorado

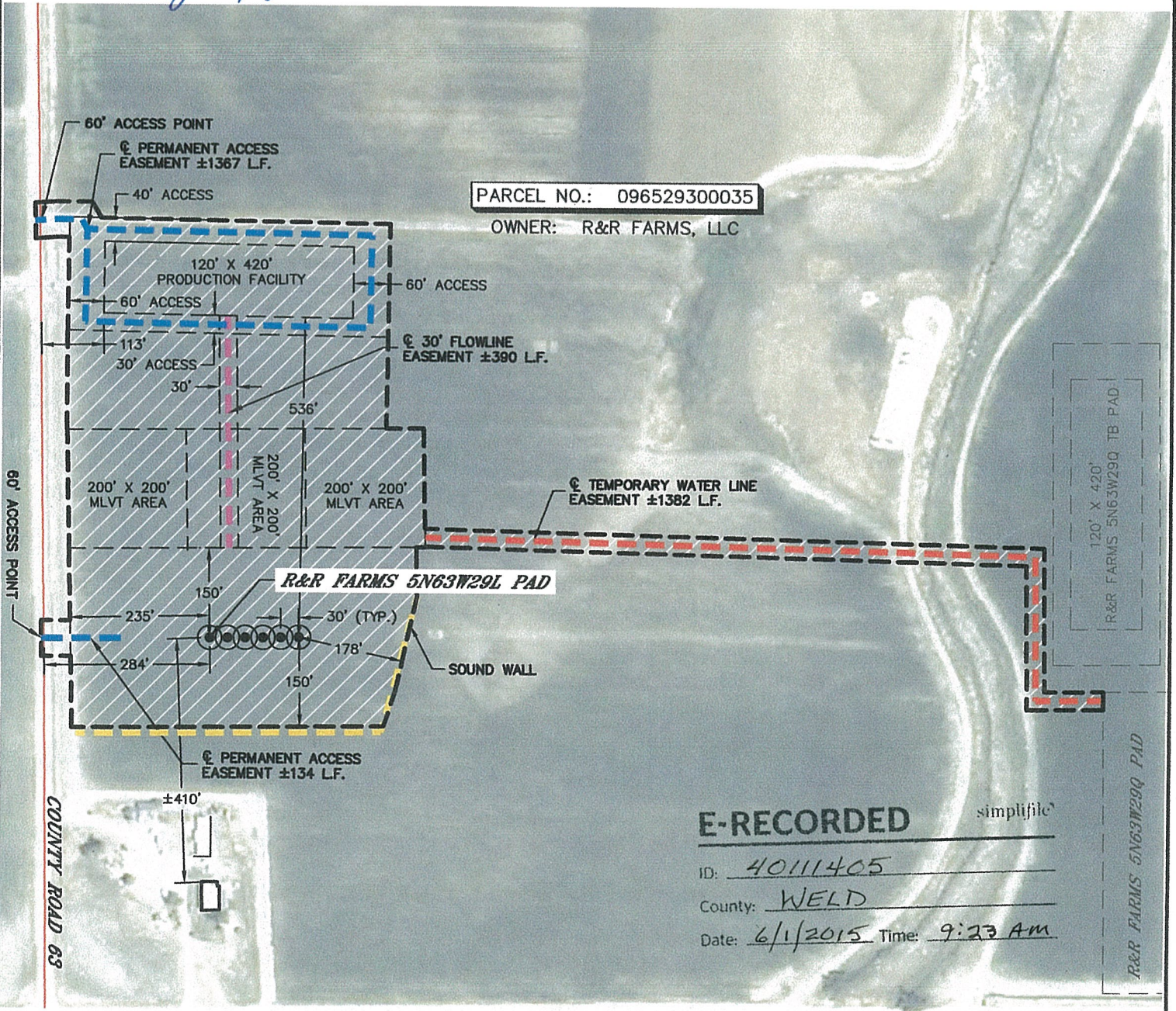
R&R Farms, LLC

BY:





BY: Judy Joan Schmitt mgr

DATE:

4-7-15



LEGEND

-  OIL AND GAS OPERATIONS AREA ("OGO") = 12.1 ACRES
-  APPROXIMATE $\frac{1}{4}$ ACCESS EASEMENT
- APPROXIMATE $\frac{1}{4}$ WATER LINE EASEMENT
-  APPROXIMATE $\frac{1}{4}$ FLOWLINE EASEMENT
-  SOUND WALL



DATE: 3/26/2015
PROJECT#: 2014131

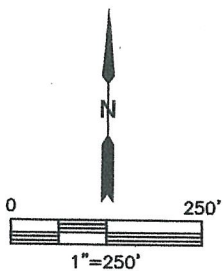


EXHIBIT "A" Page 3 of 5

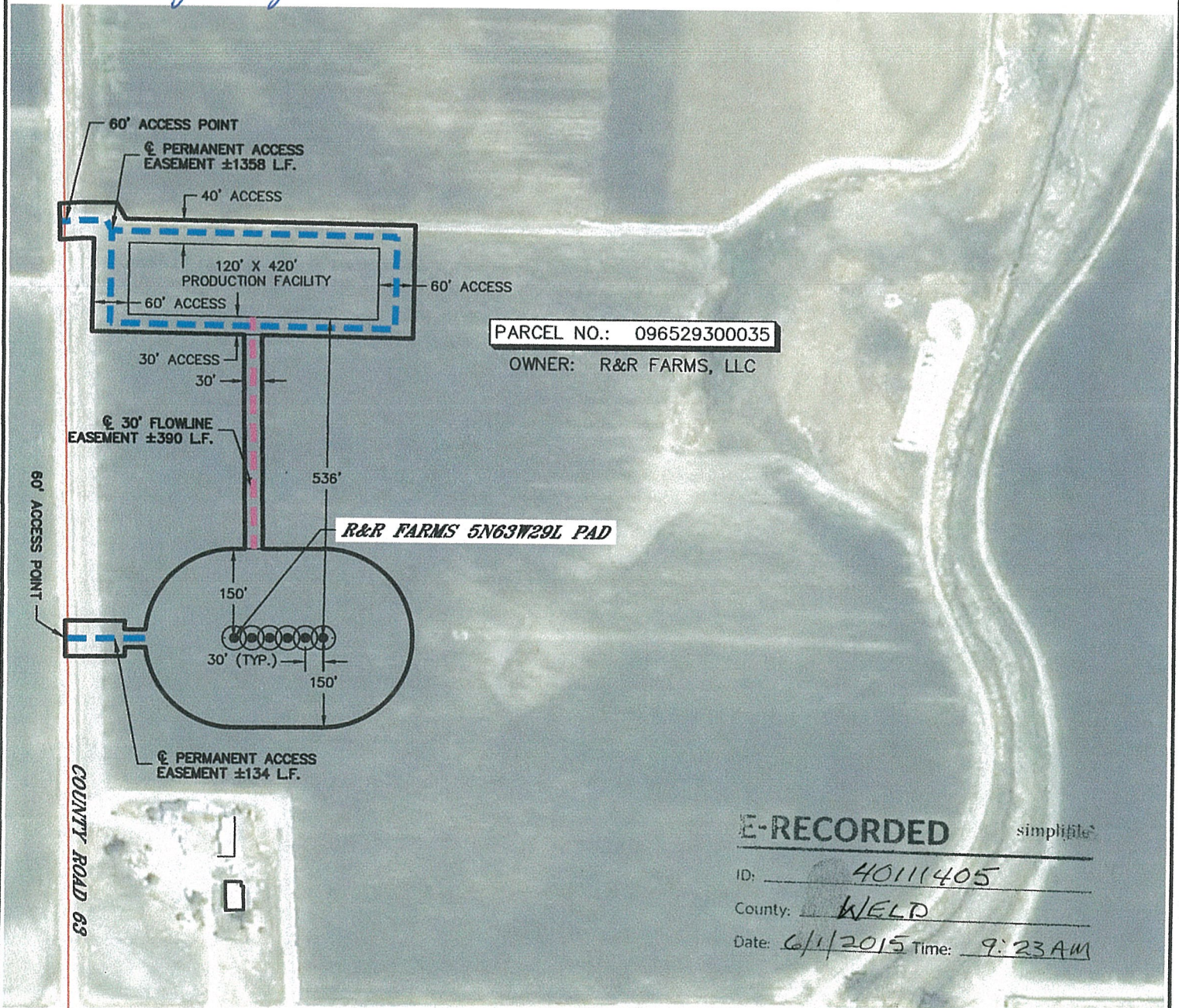
This Exhibit "A" is attached to and made a part of that certain Surface Use Agreement by and between R&R Farms, LLC Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 5 North, Range 63 West, 6th P.M.
Section 29: SW4
Weld County, Colorado

R&R Farms, LLC

BY: Judy Joann Schmult mgr

DATE: 4-7-15



E-RECORDED

simplifile

ID: 40111405

County: WELD

Date: 6/1/2015 Time: 9:23 AM

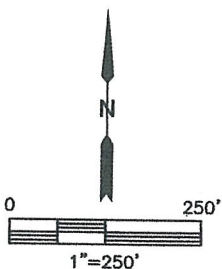
LEGEND



PERMANENT DISTURBANCE = 5.5 ACRES

--- APPROXIMATE Q ACCESS EASEMENT

--- APPROXIMATE Q FLOWLINE EASEMENT



DATE: 3/26/2015
PROJECT#: 2014131

EXHIBIT "A" Page 4 of 5

This Exhibit "A" is attached to and made a part of that certain Surface Use Agreement by and between R&R Farms, LLC Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 5 North, Range 63 West, 6th P.M.
Section 29: SW4
Weld County, Colorado

R&R Farms, LLC

BY:

Judy Joann Schmitt mgr

DATE:

4-7-15

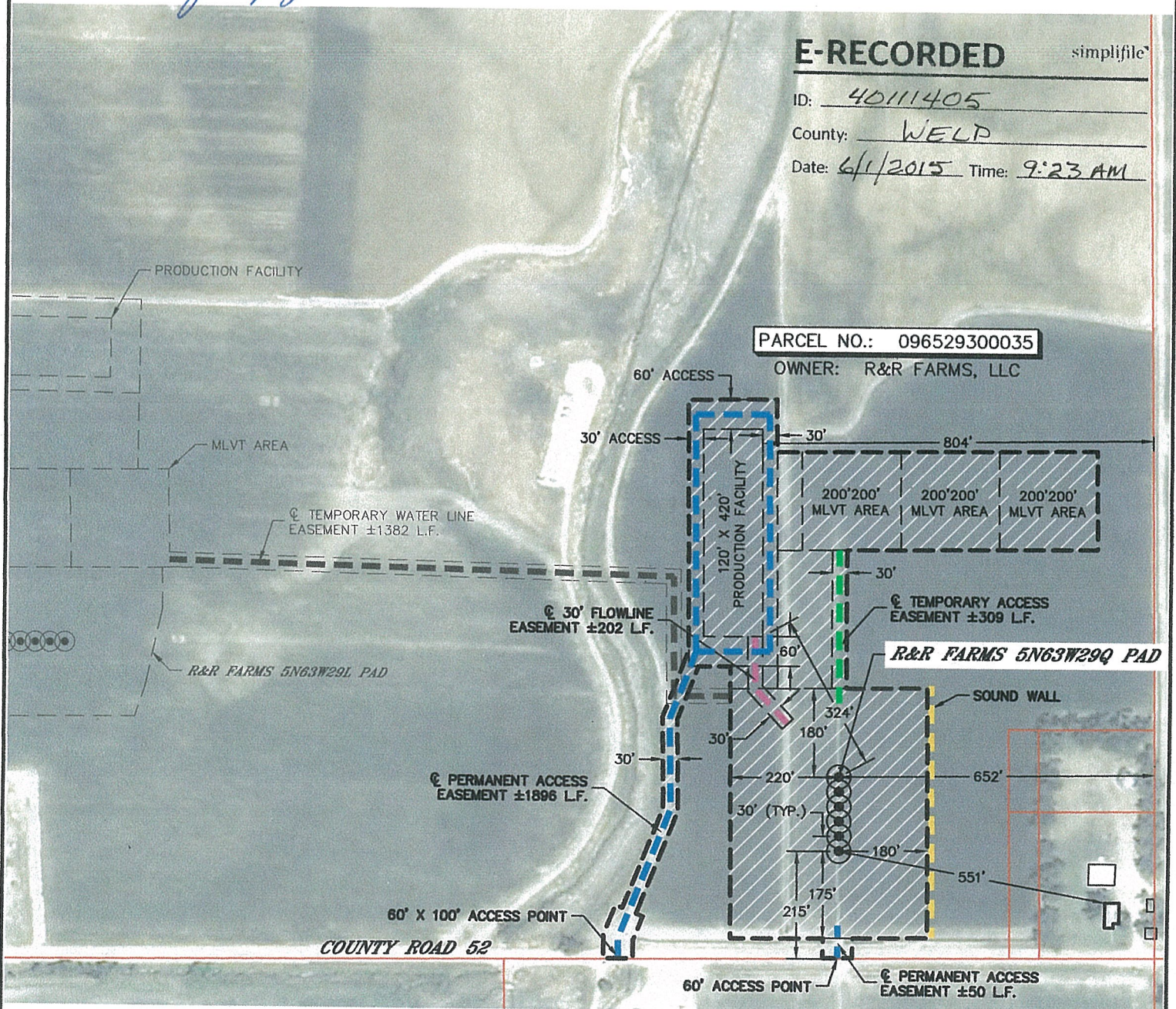
E-RECORDED

simplifile

ID: *40111405*

County: *WELD*

Date: *6/1/2015* Time: *9:23 AM*

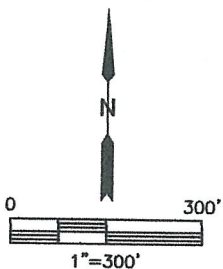


LEGEND



OIL AND GAS OPERATIONS AREA ("OGOA") = 11.4 ACRES

- APPROXIMATE CL PERMANENT ACCESS EASEMENT
- APPROXIMATE CL TEMPORARY ACCESS EASEMENT
- APPROXIMATE CL FLOWLINE EASEMENT
- SOUND WALL



DATE: 3/26/2015
PROJECT#: 2014131

EXHIBIT "A" Page 5 of 5

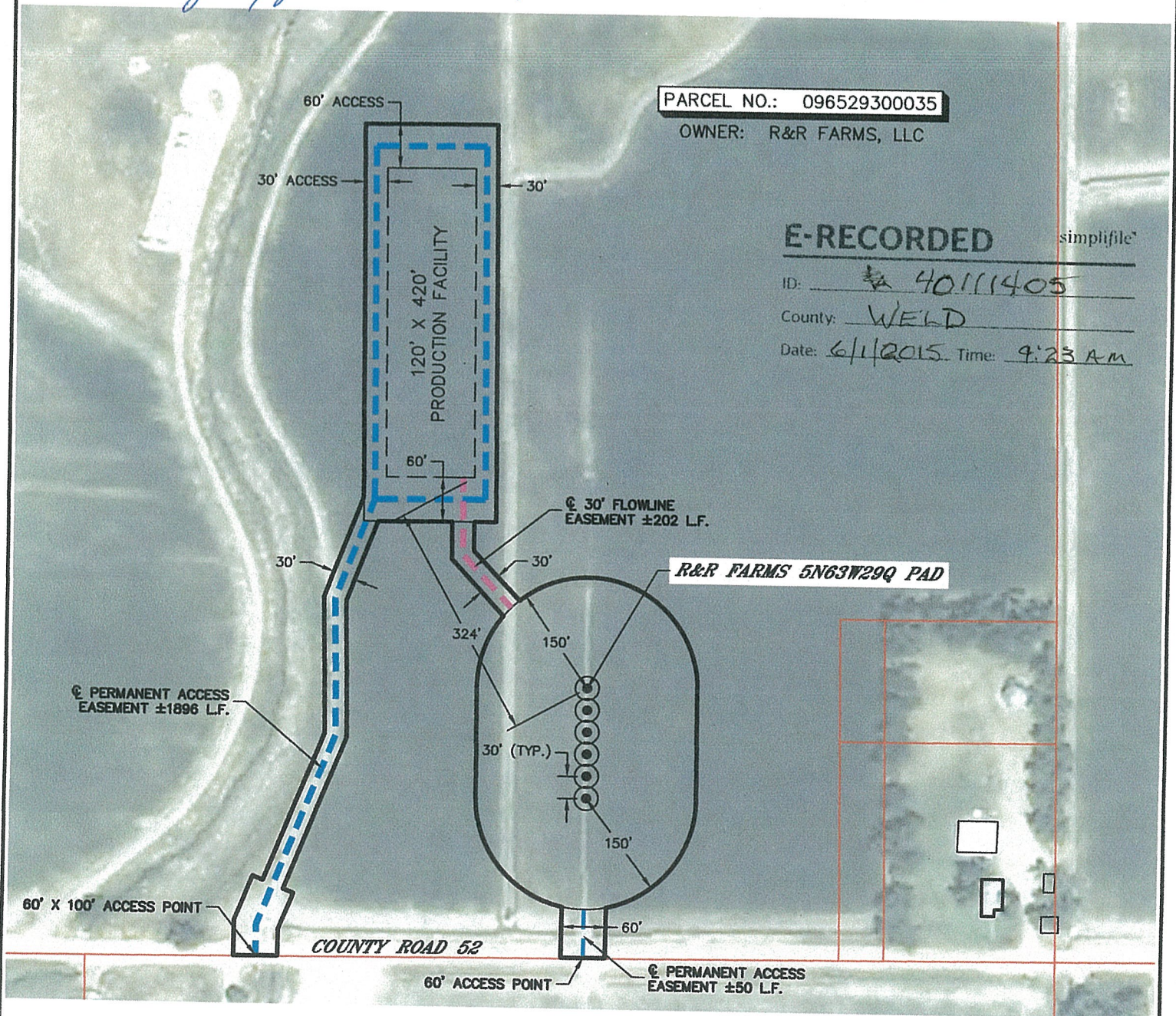
This Exhibit "A" is attached to and made a part of that certain Surface Use Agreement by and between R&R Farms, LLC Owner, and PDC Energy, Inc., Company. Covering the following lands:

Township 5 North, Range 63 West, 6th P.M.
Section 29: SW4
Weld County, Colorado

R&R Farms, LLC

BY: July Goss Schmitt mgr

DATE: 4-7-15



E-RECORDED

simplifile'

ID: 40111405

County: WELD

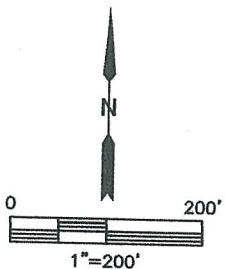
Date: 6/1/2015 Time: 9:23 AM

Q 30' FLOWLINE
EASEMENT ±202 L.F.

R&R FARMS 5N63W29Q PAD

COUNTY ROAD 52

**PERMANENT ACCESS
EASEMENT ±50 L.F.**



LEGEND

- PERMANENT DISTURBANCE = 5.6 ACRES
- APPROXIMATE C ACCESS EASEMENT
--- APPROXIMATE C FLOWLINE EASEMENT



DATE: 3/26/2015
PROJECT#: 2014131