



**Corporate Office**

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July 20, 2016

State of Colorado, Oil & Gas Conservation Commission  
Attn: Matt Lepore  
1120 Lincoln Street, Suite 801  
Denver, CO 80203

Re: **Letter to the Director, Rule 317.p**

Nelson 5N67W34G Pad, SWSW Sec. 34 T5N R67W, Weld County, Colorado  
Wells: Nelson 34i-201 (doc #401065103), Nelson 34i-421 (doc #401065143), Nelson 34i-321 (doc #401065126), Nelson 34L-241 (doc #401065235), Nelson 34L-301 (doc #401065257), Nelson 34L-221 (doc #401065170), Nelson 34Q-341 (doc #401065313), Nelson 34Q-201 (doc #401065285)

Dear Director:

PDC Energy ("PDC") intends to drill and produce the above referenced horizontal oil and gas well(s), to be located as described above. PDC respectfully requests the Director to approve an exception to Rule 317.p for the referenced proposed wells, as adequate well log control exist in the records of offset wells drilled in the vicinity of the surface-hole location of the proposed new wells. In lieu of running an open hole log, one of the first wells drilled on the pad will be logged with Case-hole Pulsed Neutron Log with Gamma Ray Log from kick off point into the surface casing in addition to PDC's normal Gamma Ray/ Neutron (GR/N) log and CBL run on all wells on the pad.

The logs from the following prior-drilled well are proposed to provide adequate log coverage to characterize the geology of the area.

Well name(s) with Log	API #	Distance to well	Direction to well	Document Numbers	Type of Log
Nelson 1	05-123- 11058	427'	S	983294	Induction Log
Nelson 13-34	05-123- 25122	639'	N	1358621	Compensated Density/Compensated Neutron/Dual Induction

The Cased-hole Pulsed Neutron Log with Gamma Ray Log will be run from kick off point into the surface casing on one of the first wells drilled on the pad. The CBL and Gamma Ray/ Neutron (GR/N) logs will be run on the 7" first string, from the top of the curve to surface, on all the proposed new wells on the subject pad. The horizontal portion of each well on the pad will be logged with a measured-while-drilling Gamma Ray log and all logs will be submitted to COGCC. The Drilling Completion Report- Form 5 submitted for each well will list all logs run in that well and indicate that no open-hole logs were run. PDC hereby requests the Director to grant an exception to Rule 317.p.

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.