



Corporate Office

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February 27, 2017

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

Re: **Rules 318A.a. and 318A.c. Exception Location Request**
Elbert 3-16 Pad, NWSW Sec. 21, T5N-R65W, Weld County, Colorado
Wells: Elbert 1N, 2N, 3N, 4N, 5N, 6N, 7N, 8N, 9N, 10N, 11N, 12N

Dear Director:

PDC Energy, Inc. ("PDC") is requesting an exception to Rule 318A.a. and Rule 318A.c. for the above-captioned well(s).

The location(s) are planned outside of a GWA window and are not within 50' of an existing well. This location is a good location in order to drill horizontal wells with sufficient lateral length in the producible zone and build sufficient production facilities on location.

We respectfully request that you approve this waiver to reduce the impact on the surface owner and surface operations. Attached is the Exception Location Waiver signed by the surface owners, 7N LLC.

If you have any questions, please contact the undersigned at (303) 318-6102.

Sincerely,

A handwritten signature in blue ink that reads "Venessa Chase".

Venessa Chase
Permitting Supervisor - Wattenberg
PDC Energy, Inc.