



Corporate Office
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September 20, 2018

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

Re: **Rules 318A.a. and 318A.c. Exception Location Request**
Red Cloud 4N64W1 1-11
Township 4 North, Range 64 West, 6th P.M., Section 1: Part of the Northeast
Wells: Red Cloud 0N (Doc 401769503), Red Cloud 1N (Doc 401769518), Red Cloud 2N (Doc 401769523), Red Cloud 3N (Doc 401769544), Red Cloud 4N (Doc 401769549), Red Cloud 5N (Doc 401769552), Red Cloud 6N (Doc 401769555), Red Cloud 7N (Doc 401769567), Red Cloud 8N (Doc 401769584), Red Cloud 9N (Doc 401769593), Red Cloud 10N (Doc 401769601)

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 exception to reduce the impact on the surface owner and surface operations. Attached is the Exception Location Waiver signed by the surface owner, Theodore A. Buderus.

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
Regulatory Supervisor (Wattenberg)
PDC Energy, Inc.