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September 20, 2018

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

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

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 ("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 Cased-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
Rein 1-8	05-123-17425	467'	S	1048205	Dual Induction Focused Log

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 5-1/2" 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) 318-6102.

Sincerely,

Venessa Chase
Regulatory Supervisor (Wattenberg)
PDC Energy, Inc.