

Appendix I

Surface Location Exception Waiver
(Rule 318A.a. and 318A.c.)

Wells: *Watermelon 1N, Watermelon 2N, Watermelon 3N, Watermelon 4N, Watermelon 5N, Watermelon 6N, Watermelon 7N, Watermelon 8N, Watermelon 9N, Watermelon 10N*

Township 5 North, Range 64 West: Section 16: Part of the N/2NW

Parcel Number(s) 096316200010, Weld County, Colorado

Operator reserves the right to change any well name(s) at its discretion without further notice.

PDC Energy, Inc. as Operator of the above listed proposed well(s) hereby requests a Surface Location Exception Waiver from the following owner of the surface for the aforementioned well location(s):

Surface Property Owner(s) Name and Address:

William T. Klein
27974 County Road 53
Kersey, Colorado 80644

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

Rule 318A.a. GWA, GWA wells, GWA windows and unit designations

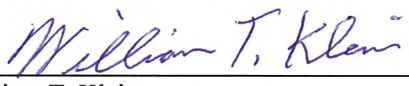
COGCC Rule 318A.a designates five "drilling windows" per quarter section of land in the Greater Wattenberg Area (GWA) – 400'x400' boxes in the center of each quarter/quarter section, and an 800'x800' box in the center of the quarter section.

Rule 318A.c. Surface locations

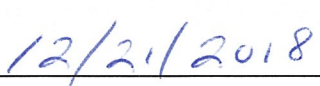
COGCC Rule 318A.c. also states that certain well locations must be "twinned" (located within fifty (50) feet of an existing well).

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

As the Surface Property Owner(s), I understand that the aforementioned well location(s) fall outside of those drilling areas and are greater than fifty (50) feet from an existing well, and consent to the location(s) as planned. I hereby waive any requirements to comply with COGCC Rule 318A.a. and 318A.c. for the aforementioned well(s).



William T. Klein



Date