

Duarte Farm LLC
20788 County Road 55
Kersey, CO 80644

June 29, 2021

PDC Energy Inc.
Landman: Mac Neumann
Phone: 970-313-5506 or 303-517-3010
Email: mac.neumann@pdce.com or land@pdce.com

Proposed OGD Name: George 4N64W21 1-24
Proposed Location Name: George 4N64W21 1-24
Nearest Crossroads: Weld County road 44 & Weld County road 55

REQUEST FOR INFORMED CONSENT

Oil and gas operations are regulated in Colorado by the Colorado Oil and Gas Conservation Commission (“COGCC”). An oil and gas company, or “operator”, may apply for permits from the COGCC to conduct oil and gas operations such as drilling wells to produce oil and natural gas. Effective January 15, 2021, operators must have an approved Oil and Gas Development Plan (“OGDP”) to conduct new oil and gas operations. An approved OGD gives an operator permission to build one or more new oil and gas locations, or expand existing locations, which may include wellpads where oil and gas wells may be drilled.

COGCC’s rules generally do not allow new oil and gas development within 2,000 feet of a residential or high-occupancy building such as a home or apartment building.¹ This is called a 2,000 foot siting requirement. However, there are some exceptions to this siting requirement. One exception is if the owners and tenants of every occupied building within 2,000 feet of the proposed development provide **informed consent** for the proposed oil and gas operations.

You are receiving this letter because PDC Energy Inc. (“PDC”) plans to submit an application to the COGCC for approval of an OGD that proposes new oil and gas operations within 2,000 of the building where you live. There are two specific COGCC

¹ The terms “building” and “home” in this letter include both the COGCC defined terms residential building units and high-occupancy building units. Because some high-occupancy building units are commercial buildings like nursing homes and hospitals, this letter uses the term “live” to refer to “owning,” “living in,” and “working in” a home or building.

rules that address informed consent of building owners or tenants. The rule that applies in your case is:

COGCC Rule 604.b.(1), because the operator is proposing to build an oil and gas location (known as a “working pad surface”) between 500 and 2,000 feet from the building that you live in.

PDC is asking for your informed consent to this proposed OGD. If you choose to provide consent, this letter will be included in the application materials and may be made public.

You are not required to consent to the development proposed near your home. If you do not consent, the operator may decide to pursue development at a different location, or may revise their proposal to meet additional COGCC conditions. The operator may also choose to undergo a more stringent application process before the COGCC. This may involve seeking a “variance” from the Commission’s rules, or demonstrating that its plans for the operations will avoid, minimize, or mitigate impacts on nearby residents like you through a process governed by COGCC Rule 604.b.(4). So, if you do not consent, it is still possible that the operator will obtain the COGCC’s permission to conduct the oil and gas operations.

Please note that the operator must also obtain permission from your local government to conduct the oil and gas operations if your local government has its own oil and gas permitting process. The relevant local government(s) for this OGD application is Weld County. Under the rules of this local government, a local permit is required.

PDC plans to apply for a Weld County 1041 WOGLA permit by 4th Quarter 2021.

To obtain your informed consent, an operator is required to provide you information about the nature, timeline, and scope of the oil and gas development that it proposes to conduct near your home, and the potential impacts that you may experience as a result of that development. This information must be presented in a language that you understand, and the operator must answer any questions that you have about the information. PDC is providing this information to you so that you can make an informed decision about whether or not to give your consent to the proposed oil and gas development that would be located within 2,000 feet of your home. To ensure that you fully understand the implications of providing your consent, at a minimum, PDC is providing you with the following information:

1. Description of the physical siting of the proposed location, including legal description, and a map showing the proximity to your home; (see Exhibit A)
2. How this proposed location was selected using an Alternative Location Analysis process; (see Exhibit B)
3. A description of the mineral acreage to be developed from this proposed location, and the number and orientation of wells, types of equipment, and other on- and off-location infrastructure related to anticipated operations; (see Exhibit C)
4. A description, proposed timeline, and expected duration of different operations that are planned, including construction, drilling, completions, flowback, interim reclamation, production, and final reclamation; (see Exhibit D)
5. A description of the different immediate impacts that you may experience during each stage of operations, which may include noise, vibration, light, odor, dust, traffic, and visual impacts, along with the operator's planned mitigation ("Best Management Practices") designed to reduce the impacts you may experience during each state of the operation; (see Exhibit E)
6. A description of potential adverse or beneficial impacts that you may experience as a result of planned operations at this location, including but not limited to scientific information discussing potential health impacts that are likely attributable to living in close proximity to oil and gas development; (see Exhibit F)
7. A point of contact for you to obtain additional information from PDC, and how you can access additional information from the COGCC and your local government.² (see Exhibit G)

Because your home is within 2,000 feet of the proposed oil and gas development, you qualify as an "affected person" under COGCC's rules. That means you have a legal right to participate in all COGCC proceedings to decide whether or not to grant the operator its OGDG permit to conduct oil and gas operations near your home. You have the ability to submit written public comments to the COGCC's Staff while the application is pending. You have the right to request the COGCC to conduct a local public hearing at a location near where you live. You have the right to provide written and oral public comments to the Commissioners about the proposed development while the Commission is considering the application. You also have the right to petition to participate as an "affected person," which means you can exercise your rights in a process similar to litigation in court, before both a COGCC Hearing Officer and the Commissioners themselves.

² In addition to this information, the operator will also provide you with additional information required by COGCC at later stages of the application process, should the operator choose to move forward with the OGDG application process after learning whether you choose to provide your informed consent.

Before you sign this document, you must read all the information provided to you by the operator. Please initial below to certify that:

- (1) you have read all the information provided to you: JD
(2) you understand that information: JD

Informed Consent Decision:

By signing this document, you are informing the COGCC that you have made a fully-informed decision on the oil and gas development proposed near the building that you own or live in. **YOU ARE NOT OBLIGATED TO SIGN THIS DOCUMENT. YOU HAVE THE RIGHT TO WITHHOLD YOUR CONSENT TO THE OIL AND GAS DEVELOPMENT NEAR YOUR HOME.** Your signature does not grant you additional rights or waive your existing rights, including your right to participate in COGCC's permitting proceedings as an "affected person." Your signature is only relevant to the proposed oil and gas development in this OGD. It is not transferable to any other proposal or location or permit application. This document will be maintained as part of the public record in the hearing of this OGD with the Commission.

I have read and I understand the information provided to me regarding the proposed Oil and Gas Location and its associated operations. The language was provided to me in a language that I understand. I have had the opportunity to ask PDC questions. I understand the potential impacts of the development, including but not limited to potential impacts to my health. I also understand the benefits that I may receive as a result of the development.

I AGREE to the proposed location and associated oil and gas operations, and voluntarily provide my informed consent.

I DO NOT give my consent for the proposed location and associated oil and gas operations.

Signature: Joe Duarte

Name (Printed): Joe Duarte Date: 7-2-21
Manager
Duarte Farm LLC

This letter follows the COGCC's statewide informed consent template as recommended by the COGCC in its Operator Guidance on Rule 604-Building Unit Owner/Tenant Informed Consent.