

Appendix I

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

Wells: MTD 1N, MTD 2N, MTD 3N, MTD 4N, MTD 5N

Township 7 North, Range 66West: Section 23: PT S2

Parcel Number(s) 070723000015, 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:

Ted Magnuson Family Trust
50 Cherry Avenue
Unit 9
Eaton, CO 80615

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.

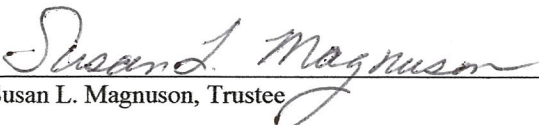
Rule 318A.c. Surface locations


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).

Ted Magnuson Family Trust


Susan L. Magnuson, Trustee


Date