



District Office
3801 Carson Avenue
Evans, CO 80620
970-506-9272
www.pdce.com

8/24/2016

Eagle Shadow South Owners Association Inc
Po Box 1324
Eastlake, CO 80614-1324

RE: Notice to Residents of Eagle Shadow and Eagle Shadow South Subdivisions
Adams County, Colorado
Township 1 South, Range 67 West, of the 6th P.M.
Section 5

Dear To Whom it May Concern ,

PDC Energy, Inc., ("PDC") owns and operates a number of existing oil and gas wells and supporting tank batteries located within your neighborhood. As a courtesy, PDC Energy would like to give you notice that we will **be plugging and abandoning** the **Degenhart 3, Degenhart 4, Degenhart 32-5, Degenhart 43-5 and Smith-Lane 1** well(s) in the coming weeks (*see enclosed map for exact locations*).

What this means for you as a resident of Eagle Shadow and Eagle Shadow South Subdivisions:

- This well will be plugged in full compliance with the laws and requirements of the State of Colorado in a manner that protects the environment, health and welfare of this neighborhood.
- This project will require the use of specialized equipment and in order to ensure public safety, a temporary chain link fence will be installed around this location.
- There will be some traffic and equipment moves during this brief time period to permanently close off this well.

For any questions regarding this project, please contact:

PDC ENERGY, INC.
Evans Land Team
3801 Carson Avenue
Evans, CO 80620
(970) 506-9272 office
(970) 506-9276 fax
land@pdce.com

FOR EMERGENCIES:
Toll Free 24-Hour Emergency Phone Number
1-877-350-0169

Thank you for your cooperation in this matter.

The PDC Land Team
Evans District Office

RECEIVED AUG 25 2016

Adams County Map



1: 7,707

0.2 0 0.12 0.2 Miles

NAD_1983_StatePlane_Colorado_Central_FIPS_0502_Feet
© Latitude Geographics Group Ltd.

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.
THIS MAP IS NOT TO BE USED FOR NAVIGATION

Legend

- Highways
- Highways (5,000 - 10,000)
- Interstate
- Highway
- Tollway
- Streets
- Streets (2,000 - 10,000)
- Streets
- Ramp
- Township
- Section
- Building
- Parks and Open Space
- Cities
- Arvada
- Aurora
- Bennett
- Brighton
- Commerce City
- Federal Heights
- Lockdale
- Northglenn
- Thornton
- Westminster
- Small Lakes
- Major Lakes
- River
- Parcels

Notes

Well: Degenhart 3, Degenhart 4,
Degenhart 32-5, Degenhart 43-5 and
Smith-Lane 1

RECEIVED AUG 25 2016



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

INFORMATION FOR SURFACE OWNERS

This document summarizes Colorado regulations pertaining to surface owner notification and consultation. It also covers the reclamation of land disturbed by oil and gas activity.

These regulations are administered by the Colorado Oil and Gas Conservation Commission (COGCC) as part of its mission to protect public health, safety, and welfare, including the environment and wildlife resources.

Surface Owner Rights in Colorado

1. Oil and gas companies (operators) must provide surface owners with details of the oil and gas activities proposed for their property.
2. Surface owner notification is mandated; communication and consultation are encouraged. Surface owners may waive these requirements.
3. Surface Use Agreements (SUA) are private contracts that address the operator's oil and gas activities on the surface owner's property. The COGCC has no jurisdiction or authority over terms of an SUA.
4. Surface owners may request an extension of the public comment period for applications.
5. Interim and final reclamation are required by the COGCC. Timing may be flexible to integrate agricultural operations. Future land use may be considered through a waiver and variance process.
6. Surface owners may request a hearing before the Commission to protest staff decisions on permit approval, complaint resolution, or variance requests based on alleged non-compliance with COGCC rules or mission.

Consultation

The operator is required to consult in good faith with the surface owner and provide details about the location of roads, production facilities, and well sites, or other oil and gas operations during planning stages. Consultation in good faith is also required to prepare for reclamation and abandonment (Rule 306).

COGCC's Onsite Policy provides an opportunity in certain circumstances for the surface owner to request that the COGCC and Local Government Designee conduct an onsite visit if consultation between the operator and surface owner does not resolve issues related to planned oil and gas activities. This opportunity is limited to activity on lands where the surface owner did not execute a mineral lease and is not party to a surface use agreement. Consultation is limited to items under COGCC jurisdiction; financial and other concerns cannot be addressed.

This process may result in conditions of approval attached to the permit to minimize the potential loss of crops or damage to land or to address potential health, safety, welfare or environmental impacts.

Informational signs must be placed at the intersection of lease and public roads at the time of the Statutory Notice. Permanent signs providing operator and emergency contact information must be in place at all wells and tank batteries during the life of the facility (Rules 210.b and 305.g).

Notification

Operators are required to inform the surface owner about when and where oil and gas operations will occur. These notifications promote communication between owners and operators so that a surface owner can coordinate their activities with permitted oil and gas operations.

In certain circumstances, operators must send a Pre-Application Notice to surface owners 30 days before submitting an application to the COGCC. This notice should include a general description of the project, an opportunity to meet with the operator and appropriate contact information (Rule 305.a).

An Oil and Gas Location Assessment (OGLA) Notice is sent by the operator to the surface owner when the application has been posted on the COGCC website for public comment. This notice provides additional details about planned operations and an opportunity for consultation (Rule 305.c).

The Statutory Notice to Surface Owners must be provided to the surface owner at least 30 days notice before commencing operations with heavy equipment. A proposed schedule, detailed site drawing and opportunity for consultation with the operator will be included (Rule 305.f).

After a well has been drilled, a Notice of Subsequent Well Operations for certain activities with heavy equipment is required at least seven days in advance (Rule 305.f.4).

Surface Tenant Notification is the responsibility of the surface owner. If the surface owner has designated an agent (such as a tenant), that party will receive all notices (Rules 305.c.3 and 305.c.4).

Site Operation and Maintenance

COGCC rules include requirements for good house-keeping, site stabilization, and interim reclamation.

- During site preparation and stabilization of the facility, the COGCC requires the operator to:
 - Preserve topsoil for future reclamation by segregating and stabilizing soil during site preparation (Rule 1002.b)
 - Minimize surface disturbance (Rule 1002.e)
 - Stabilize access roads (Rule 1002.e)
 - Prevent erosion and site degradation by managing stormwater runoff (Rule 1002.f)
 - Prevent invasion of undesirable species and noxious weeds (Rule 1003.f)
 - Keep the site free of weeds, rubbish, and other waste material (Rule 603.f)
 - Burn or bury any waste material only if the operator has first received the appropriate regulatory approvals (Rule 603.f)
 - Provide fencing of certain areas at the surface owner's request (Rule 1002.a).
- Interim reclamation begins after the well has been drilled and addresses the areas that are not needed for production. The operator will replace segregated topsoil, eliminate weeds, and prevent erosion by reestablishing either perennial vegetation on non-crop land or comparable crops on farmland. If any pits were used during drilling, they must be closed (Rule 1003).

Complaints

If you, the surface owner, have a complaint about an oil and gas operation, the COGCC encourages you to first work with the operator to see if a solution can be found. Complaints may also be filed at the COGCC website.

DISCLAIMER:

This brochure is only a summary. The complete rules cited here are available on the website.

Surface owners are advised to obtain legal advice appropriate to their particular circumstances. A surface owner does not necessarily own the mineral rights underlying his or her property. As a result, surface owners and tenants may be faced with oil and gas mineral owners exercising their right to drill and produce wells on the property.

Final Reclamation

COGCC statewide reclamation rules are designed to ensure that the surface of the land is restored as closely as possible to its pre-development condition. Final reclamation is the responsibility of the operator. These rules respect the surface owner's need to request waivers of certain requirements under special circumstances.

Final reclamation includes various components:

- Surface equipment and debris must be removed, and pits backfilled within 3 months of plugging an oil or gas well or after final closure of production facilities.
- All production equipment, debris, and any production waste or contamination must be removed. In addition, pit locations and access roads must be regraded to conform with the surrounding terrain (Rules 1004.a and 1003).
 - No later than 3 months if the location is on crop land
 - No later than 12 months if the location is on non-crop land.
- Flowlines must be purged of oil and gas, cut off below grade and capped when abandoned. Any surface area disturbed by flowlines must also be reclaimed (Rules 1103, 1101.d, and 1004.c.3).
- Reclamation is complete when all disturbed land has a vegetative cover of 80% compared to a reference location (Rules 1003.e.2 and 1004).

For the most current public data on oil and gas operations, staff contact information, and rules and policies, visit the COGCC website at:

www.cogcc.state.co.us

Statewide COGCC Complaint Line: 888.235.1101

DENVER OFFICE

1120 Lincoln Street, Suite 801
Denver, CO 80203

Phone: 303.894.2100 Fax: 303.894.2109

RIFLE OFFICE

796 Megan Avenue, Suite 201
Rifle, CO 81650

Phone: 970.625.2497 Fax: 970.625.5682