

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

T1S-R66W, Section 36: All

Total Acres in Described Lease: 640 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # 68-56005

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 500 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1031 Feet

Building Unit: 1626 Feet

High Occupancy Building Unit: 4263 Feet

Designated Outside Activity Area: 3192 Feet

Public Road: 270 Feet

Above Ground Utility: 256 Feet

Railroad: 5280 Feet

Property Line: 299 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).

- Enter 5280 for distance greater than 1 mile.

- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.

- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: Buffer Zone
 Exception Zone
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit

- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.

- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 273 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 500 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	407-800	640	sec.36:All

DRILLING PROGRAM

Proposed Total Measured Depth: 12177 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 273 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type: Annular Preventor Double Ram Rotating Head None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

Water-based mud hauled to Moser Spreadfield (ID#436067). Cuttings from the vertical portion of the wellbores will also be hauled to Moser. Cuttings from the lateral portion of the wellbore will be hauled to a commercial disposal facility.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 436067 or Document Number: _____

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	65	0	60	50	60	0
SURF	13+1/2	9+5/8	36	0	1501	470	1501	0
1ST	8+3/4	7	26	0	7900	600	7900	600
1ST LINER	6+1/8	4+1/2	11.6	7200	12177			

Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____

OTHER LOCATION EXCEPTIONS

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number _____
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments This well is being sidetracked. The rig was tripping out of hole and experienced tight hole issues at 4,900' MD. The drill string parted and fell to bottom. Fished unsuccessfully for 2.5 days. Total measured depth reached in the wellbore being plugged back is 7,180'. 9 5/8" Surface Casing set at 1,501'. Description of fish: 8 3/4" Bit, Directional tools, HWDP, DP: Top-3,622' Bottom: 7,180'. Plug #1 Top: 3,122 Bottom: 3,622, Plug #2 Top: 1,501' Bottom: 2,001, Both plugs will 37 bbls. Both cement plugs will be Halliburton PlugCem, Class G cement, 17.5 ppg, 0.94 ft^3/sx. Measured depth of proposed sidetrack kick-off point is 1,800'. Objective formation and BHL target remains the same. Email approval to plug back & sidetrack was provided by Diana Burn on 3/31/12 and is attached.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 435283

Is this application being submitted with an Oil and Gas Location Assessment application? No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Mary Pobuda

Title: Permit Analyst Date: 4/1/2014 Email: mpobuda@billbarrettcorp.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: *Matthew Lee* Director of COGCC Date: 4/13/2014

Expiration Date: 04/12/2016

API NUMBER
05 001 09785 01

Conditions Of Approval

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

COA Type	Description

Best Management Practices

No BMP/COA Type	Description

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.
Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

Att Doc Num	Name
400581442	FORM 2 SUBMITTED
400581464	CORRESPONDENCE
400581728	WELLBORE DIAGRAM

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review--passed.	4/7/2014 11:42:04 AM
LGD	No additional comments.	4/1/2014 4:21:33 PM
Permit	Checked exceptions for 318A.a and 318A.c. Requests & waivers in well file. Corrected dist. to nearest well.	4/1/2014 10:32:06 AM
Permit	This form has passed completeness.	4/1/2014 10:24:37 AM

Total: 4 comment(s)