

APPLICATION FOR PERMIT TO:

Drill

 Deepen

 Re-enter

 Recomplete and Operate

Date Received:

| | |
|---|------------------------------------|
| TYPE OF WELL OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ | Refiling <input type="checkbox"/> |
| ZONE TYPE SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/> | Sidetrack <input type="checkbox"/> |

| | |
|--|--|
| Well Name: <u>Boyd Farms</u> | Well Number: <u>33-28</u> |
| Name of Operator: <u>DUNCAN OIL INC</u> | COGCC Operator Number: <u>25500</u> |
| Address: <u>1777 S HARRISON ST, P-1</u> | |
| City: <u>DENVER</u> | State: <u>CO</u> Zip: <u>80210</u> |
| Contact Name: <u>Paul Gottlob</u> | Phone: <u>(720)420-5747</u> Fax: <u>()</u> |
| Email: <u>paul.gottlob@iptenergyservices.com</u> | |

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|--|
| RECLAMATION FINANCIAL ASSURANCE Plugging and Abandonment Bond Surety ID: <u>20140064</u> |
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| | | | |
|---|-------------------------------|---|--|
| WELL LOCATION INFORMATION | | | |
| QtrQtr: <u>NWSE</u> | Sec: <u>28</u> | Twp: <u>6S</u> | Rng: <u>54W</u> Meridian: <u>6</u> |
| Latitude: <u>39.496940</u> | Longitude: <u>-103.441590</u> | | |
| Footage at Surface: <u>1980</u> feet | FNL/FSL | FEL/FWL | |
| | FSL | 1880 | feet |
| Field Name: <u>WILDCAT</u> | Field Number: <u>99999</u> | | |
| Ground Elevation: <u>5285</u> | County: <u>LINCOLN</u> | | |
| GPS Data: | | | |
| Date of Measurement: <u>07/14/2014</u> | PDOP Reading: <u>2.1</u> | Instrument Operator's Name: <u>Elijah Frane</u> | |
| If well is <input type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. | | | |
| Footage at Top of Prod Zone: | FNL/FSL | FEL/FWL | Bottom Hole: FNL/FSL FEL/FWL |
| Sec: _____ | Twp: _____ | Rng: _____ | Sec: _____ Twp: _____ Rng: _____ |

| | |
|--|--|
| LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT | |
| Surface Ownership: <input checked="" type="checkbox"/> Fee | <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> Indian |
| The Surface Owner is: | <input checked="" type="checkbox"/> is the mineral owner beneath the location. (check all that apply) <input type="checkbox"/> is committed to an Oil and Gas Lease. <input checked="" type="checkbox"/> has signed the Oil and Gas Lease. <input type="checkbox"/> is the applicant. |
| The Mineral Owner beneath this Oil and Gas Location is: | <input checked="" type="checkbox"/> Fee <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> Indian |
| The Minerals beneath this Oil and Gas Location will be developed by this Well: | <u>Yes</u> |
| The right to construct the Oil and Gas Location is granted by: | <u>oil and gas lease</u> |
| Surface damage assurance if no agreement is in place: | Surface Surety ID: _____ |

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.)

ALL: SEC. 28-T6S-R54W

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

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 1880 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

- Building: 5280 Feet
- Building Unit: 5280 Feet
- High Occupancy Building Unit: 5280 Feet
- Designated Outside Activity Area: 5280 Feet
- Public Road: 5280 Feet
- Above Ground Utility: 5280 Feet
- Railroad: 528 Feet
- Property Line: 1880 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: 2134 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 5280 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| ARBUCKLE | ABCK | | | |
| KEYES | KEYES | | | |
| MORROW | MRRW | | | |
| PRECAMBRIAN | PCMB | | | |
| SPERGEN | SPGN | | | |

DRILLING PROGRAM

Proposed Total Measured Depth: 8460 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 2134 Feet (Including plugged wells)

Will a closed-loop drilling system be used? No

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 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Evaporation

Cuttings Disposal: ONSITE Cuttings Disposal Method: Other

Other Disposal Description:

Evaporation and burial.

Beneficial reuse or land application plan submitted? _____

Reuse Facility ID: _____ 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 |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| SURF | 12+1/4 | 8+5/8 | 24 | 0 | 400 | 175 | 400 | 0 |
| 1ST | 7+7/8 | 5+1/2 | 17 | 0 | 8460 | 350 | 8440 | |

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

Location ID: _____

Is this application being submitted with an Oil and Gas Location Assessment application? _____ Yes _____

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

Signed: _____ Print Name: Paul Gottlob _____

Title: Regulatory & Engin. Tech. _____ Date: _____ Email: paul.gottlob@iptenergyservices _____

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: _____ Director of COGCC _____ Date: _____

Expiration Date: _____

API NUMBER

05

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.

Best Management Practices

| No | BMP/COA Type | Description |
|-----------|--|---|
| 1 | Planning | Logging Open hole resistivity log with gamma ray will be run on the wellbore to adequately verify the setting depth of the surface casing and aquifer coverage. A CBL will be run on all production casing or, in the case of a production liner, the intermediate casing, when these casing strings are run. |
| 2 | Material Handling and Spill Prevention | Load-lines. All load-lines shall be bull-plugged or capped. |
| 3 | Drilling/Completion Operations | Blowout preventer equipment ("BOPE"). A double ram and annular preventer will be used during drilling. At least the drilling company shall have a valid well blowout prevention certifications. |
| 4 | Drilling/Completion Operations | BOPE for well servicing operations. Adequate BOP equipment shall be used. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid. |
| 5 | Drilling/Completion Operations | Control of fire hazards. All materials which are considered fire hazards shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API RP 500 and will comply with the current national electrical code. An emergency response plan has been generated for this site. |
| 6 | Drilling/Completion Operations | Guy line anchors. All guy line anchors shall be brightly marked pursuant to Rule 604.c (2)Q. |
| 7 | Final Reclamation | Well site cleared. Within 90-day subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site. |
| 8 | Final Reclamation | Identification of plugged and abandoned wells. P&A'd wells shall be identified pursuant to 319.a.(5). |

Total: 8 comment(s)

Attachment Check List

| Att Doc Num | Name |
|--------------------|-------------|
| 400652717 | PLAT |

Total Attach: 1 Files

General Comments

| User Group | Comment | Comment Date |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)