

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.)

Please see "Exhibit A" - Legal Description in original file.

Total Acres in Described Lease: 3758 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: 859 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: 4625 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 862 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: 3447 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 3939 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Wiley Unit Unit Number: COC75390X

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			

DRILLING PROGRAM

Proposed Total Measured Depth: 9944 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 3447 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 N/A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: ONSITE Cuttings Disposal Method: Cuttings trench

Other Disposal Description:

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
CONDUCTOR	20	16	75	0	80	75	80	0
SURF	14+3/4	9+5/8	36	0	3000	894	3000	0
OPEN HOLE	8+3/4			3000	9944			

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

There have been no changes to the location.

I certify that there have been no changes on land use, lease description.

The pad has been built or has not been built.

The pit has been constructed or no pit will be used.

There will be no additional surface disturbance.

The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).

The location is not within a wildlife Restricted Surface Occupancy Area.

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

Location ID: 430927

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: Mark Degenhart

Title: Director Res. Engr. Date: 11/18/2014 Email: mark.degenhart@endeavourco

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: 1/15/2015

Expiration Date: 01/14/2017

API NUMBER 05 103 11953 00

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.

<u>COA Type</u>	<u>Description</u>
	Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.
	(1) Operator shall comply with the most current revision of the Northwest Notification Policy. See attached notice. (2) If dry hole, at a minimum set 100' cement plug above the Niobrara Formation top, set 100' plug across the surface casing shoe, a 100' cement plug above the Mesa Verde Formation top and set 50' cement plug at surface (in casing and in annulus if casing is not pulled). Minimum one 100' plug in open hole per 3000'.

Best Management Practices

No	BMP/COA Type	Description
1	Storm Water/Erosion Control	<p>Endeavour Operating Corporation Wiley #22-3-97-2 NWSE Section 22-T3N-R97W Rio Blanco Co., Colorado</p> <p>Best Management Practices Summary</p> <p>Stormwater Management Plans (SWMP) will be in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE). BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. The BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.</p> <p>Spill Prevention Control and Counter measures (SPCC) plans will be in place to address any possible spills associated with Oil & Gas operations throughout the state of Colorado in accordance with 40 CFR 112.</p> <p>Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup will be required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup will consist of patrolling the roadways, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.</p> <p>The above BMP's will be provided to all Endeavour Operating Corporation, contractors and will be posted in the company trailer located on location during drilling, completion and production operations.</p>

Total: 1 comment(s)

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400726778	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
#Error	Final review complete.	1/13/2015 11:25:41 AM
#Error	Changed TMD from 10920' to 9944' per operator.	1/12/2015 10:42:53 AM
#Error	Removed Frontier from objective formations and corrected zone type to single as per opr.	1/9/2015 7:35:56 AM
#Error	Opr agrees with changes. Requested further info regarding open hole vs. multiple formation isolation. Form on hold.	1/5/2015 8:46:03 AM
#Error	Added distance to nearest lease line and unit boundary, corrected described mineral lease to Fee. Notified opr and waiting approval of corections.	12/30/2014 10:48:40 AM
#Error	There are no offset wells within 1500 feet of the proposed wellbore. Surface casing setting depth is below expected Mesa Verde top of 1800 feet. Emailed operator regarding surface casing cement quantity. Cement volume listed on the casing tab appears inadequate. Cement shall be placed to provide full coverage of the surface casing from total depth to surface. The deepest water well within 1 mile of the surface location is 300 feet deep. The proposed surface casing setting depth is more than 50 feet below the base of the aquifer in which water wells are screened within one mile.	11/26/2014 8:48:06 AM
#Error	Passed Completeness	11/19/2014 12:55:40 PM

Total: 7 comment(s)