

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 attached Lease Property Description. Also see Parcel 97 on the Lease Map attached for lands relevant to this well. There are other non-contiguous lands on the lease in T13S R97W and T13S R98W.

Total Acres in Described Lease: 1648 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: 354 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 900 Feet
Building Unit: 900 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1441 Feet
Above Ground Utility: 5280 Feet
Railroad: 5280 Feet
Property Line: 350 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: 3908 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 3908 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Whitewater Fed Unit Number: COC73038A

SPACING & FORMATIONS COMMENTS

Per May 13th, 2015 phone conference with Barbara Westerdale and Sarah Freeman, there are no spacing orders for the Dakota Formation within the Whitewater Federal Unit. Closest permitted Mancos/Dakota well is the Eberly 23-4-M.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
DAKOTA	DKTA			
MANCOS	MNCS			

DRILLING PROGRAM

Proposed Total Measured Depth: 4635 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 3908 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 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Beneficial reuse or land application plan submitted? No

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	16	14	50	0	60	100	60	0
SURF	13+3/8	9+5/8	36	0	400	125	400	0
1ST	8+1/2	5+1/2	15.5	0	4635	230	4635	1400

☐ 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

- 1) Location is built and is within 1000 feet of a building unit. The box for the Rule 604.b.1(A) Exception Location has been selected. Please see BMPs with regards to the Move-In Rig-Up policy. A Form 4 for the Location will be submitted with the buffer zone mitigation BMP's regarding noise, light, dust, etc as specified in Rule 604.c. Mitigation Measures.
- 2) No pit is required.
- 3) Location will not require any expansion/additional surface disturbance of the pad.
- 4) Location does not require a variance from any of the rules listed in Rule 306.d(1)(A)(ii); consultation with CDPHE not required.
- 5) Location is not in a wildlife restricted surface occupancy area; consultation with CPW is not required.
- 6) Location is within a Federal unit. Rule 318.a does not apply except for locations located less than 200 feet from the boundary of the unit. This well is within the Whitewater Federal Gas Unit and the Dakota Formation is an objective formation.

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

Location ID: 334475

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: David Cook

Title: Manager Date: 3/12/2014 Email: dave@framamericas.com

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

05 077 09260 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.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Community Outreach and Notification	Per Rule 305.e, Fram shall notify the surface owners upon completeness determination from the Director. Per Rule 306.e, Fram shall be available for meetings with surface owners. There are no building unit owners within 500 feet.
2	Drilling/Completion Operations	<p>317.p. - Open-hole Resistivity Log with Gamma Ray Log will be run from the kick-off point into the surface casing. A Cement Bond Log with Gamma-Ray will be run on production casing, or on intermediate casing if a production liner is run. The horizontal portion of the wellbore will be logged with a measured-while drilling gamma-ray log. The Form 5, Completion Report, will list all logs run and have those logs attached.</p> <p>317.s. - There are no wells within 150 feet of proposed location. There are multiple abandoned locations that were never drilled. (Whiting 25-1, Whiting 25-1-A6, and Whiting 25-1-M6)</p> <p>317.r. - There are no wells within 150 feet of proposed location. No written consent from other operators to compete is needed.</p>
3	Drilling/Completion Operations	<p>The well is within the Buffer Zone, the APD is being filed without a 2A , the location has been built, and the submittal date of the APD is more than 1 year after the location was constructed.</p> <p>To ensure adequate notice to Building Unit owners in the Buffer Zone, the Operator shall provide Move-In, Rig-Up notification to all owners of Building Units located within the Buffer Zone.</p> <p>The Buffer Zone APD MIRU Notice shall be sent at least 30 days, but no more than 90 days prior to commencing operations with heavy equipment. The operator may rely on the county assessor tax records to identify the persons entitled to receive this MIRU notice.</p> <p>The Buffer Zone APD MIRU Notice shall provide ALL of the following information:</p> <ol style="list-style-type: none"> 1. The operator's contact information 2. The legal location of the proposed well (Quarter-Quarter, Section, Township, Range, County) 3. The approximate street address of the proposed well location (Street Number and Name and City) 4. The name and number of the proposed well, including the API Number if the APD has been approved or the eForm Document Number if the APD is pending approval 5. The anticipated date (Day, Month, Year) operations with heavy equipment will commence 6. The COGCC's website address and telephone number

Total: 3 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400555571	FORM 2 SUBMITTED
400569445	DEVIATED DRILLING PLAN
400569600	LEGAL/LEASE DESCRIPTION
400569985	DIRECTIONAL DATA
400853280	OIL & GAS LEASE
400853281	EXCEPTION LOC WAIVERS
400863985	LEASE MAP

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft: 1) Remove exception to spacing order. Does not apply. 2) APD will require OGLA task to review buffer zone mitigation submitted for location.	7/13/2015 3:35:22 PM
Permit	Returned to draft: 1) Horizontal well, not directional. 2) Remove pre-app notice date? Attach 305.a certification? 3) Onsite waste disposal? 4) Need 5 refile comments to specify pit or no pit. 5) Need comment that no changes to original APD.	6/26/2015 9:42:02 AM
Permit	Returned to draft: 1) Since refile on built location, need buffer zone mitigation BMP's. 2) Need exception request letter to Rule 604.b.(1)A (check box).	3/17/2014 11:41:16 AM
Permit	Returned to draft. Missing date of Buffer Zone Notification to Building Unit Owners. Missing certification of notice to Buuilding Unit owners. Missing distance to nearest permitted or completed well penetrating the objective formation.	3/13/2014 9:02:32 AM

Total: 4 comment(s)