



**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.)

This is a pilot hole that will not be completed.

Total Acres in Described Lease: \_\_\_\_\_ 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: \_\_\_\_\_ Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 1752 Feet  
 Building Unit: 1803 Feet  
 High Occupancy Building Unit: 5280 Feet  
 Designated Outside Activity Area: 5280 Feet  
 Public Road: 406 Feet  
 Above Ground Utility: 377 Feet  
 Railroad: 5280 Feet  
 Property Line: 160 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: 5280 Feet

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

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

**SPACING & FORMATIONS COMMENTS**

This is a pilot hole that will not be completed.

**OBJECTIVE FORMATIONS**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NOT COMPLETED	N-COM			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 6643 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 2216 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

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	42	0	80	100	80	0
SURF	12+1/4	9+5/8	36	0	500	176	500	0
OPEN HOLE	8+3/4			500	6643			

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 Letter to the Director for COGCC Rule 318A.a. Exception Location Request, attached as Exception Loc Request.  
 COGCC Rule 318A.a. GWA Drilling Window waiver is waived in the SUA, please see highlighted section of attached SUA.  
 This is a pilot hole that will not be completed.  
 Distance to nearest permitted or existing wellbore penetrating objective formation is State Seventy Holes J-18 API #05-123-41614.

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: Jeff Annable \_\_\_\_\_

Title: Regulatory Analyst Date: 10/6/2015 Email: regulatory@petro-fs.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: \_\_\_\_\_

<b>API NUMBER</b>
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.**

<u>COA Type</u>	<u>Description</u>

### Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	Rule 604.c(2)M. Fencing: A meeting with the surface owner will determine a fencing plan.
2	Traffic control	604.c.(2)S. Access Roads: The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times. Traffic will be routed to minimize local interruption. Dust control measures will also be utilized. The nearby Building Unit Owner's property access road will not be used by Edge Energy or any companies contracted by Edge Energy. Edge will post an appropriate sign indicating that the nearby BUO driveway is a private road and that no turn-around will be allowed by Edge personnel or its contractors.  604.c.(2)D: If required by the local government, a traffic plan shall be coordinated with the local jurisdiction prior to commencement of move in and rig up. Any subsequent modification to the traffic plan must be coordinated with the local jurisdiction.
3	General Housekeeping	Rule 604.c.(2)P. Trash Removal: All trash, debris and material not intrinsic to the operation of the oil and gas facility shall be removed and legally disposed of as applicable.

4	Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).
5	Material Handling and Spill Prevention	Rule 604.c.(2)F. Leak Detention Plan: Pumper will visit the location daily and visually inspect all fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR 112.
6	Dust control	Rule 805.c. - Operator shall employ practices for control of fugitive dust caused by their operations. Such practices shall include but are not limited to the use of speed restrictions, regular road maintenance, restriction of construction activity during highwind days, and silica dust controls when handling sand used in hydraulic fracturing operations. Additional management practices such as road surfacing, wind breaks and barriers, or automation of wells to reduce truck traffic may also be required if technologically feasible and economically reasonable to minimize fugitive dust emissions.
7	Emissions mitigation	Green Completions - Emission Control System: Measures will be undertaken to reduce emissions of salable gas and condensate vapors during cleanout and flowback operations prior to the well being placed on production. Test separators and associated flow lines and sand traps shall be installed to accommodate green completions techniques pursuant to COGCC Rules. Edge Energy is working with a midstream operator in the area and will tie into their system for gas transportation and sales as soon as practicable. The ECD shall have an adequate capacity for 1.5 times the largest flowback within a 10 mile radius, will be flanged to route gas to other or permanent oxidizing equipment and shall be provided with the equipment needed to maintain combustions where non-combustible gases are present.
8	Odor mitigation	805 Odors and Dust: Oil & gas facilities and equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare.

9	Drilling/Completion Operations	<p>604.c.(2)I BOPE Testing for Drilling Operations: Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.</p> <p>604.c.(2)L. Drill Stem Tests: Closed chamber drill stem tests shall be allowed. All other drill stem tests shall require approval by the Director. None planned for this well.</p> <p>604.c.(2).K. Pit Level Indicators: Pit level Indicators shall be used on location. No pit is planned on this location.</p> <p>604.c.(2).O. Loadlines: All loadlines shall be bullplugged or capped.</p> <p>207.b. Bradenhead Monitoring: Operator acknowledges and will comply with COGCC Policy for Braden-head Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.</p> <p>Anti-collision: Operator will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling.</p> <p>604.c.(2)B.i Closed Loop Drilling Systems – Pit Restrictions: Operator will be utilizing a closed loop system</p> <p>604.c.(2)H. 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.</p> <p>604.c.(2)J. 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. Backup stabbing valves be required on well servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.</p>
10	Drilling/Completion Operations	<p>317.p. Requirement to Log Well: Logging Open hole resistivity log with gamma ray will be run on one of the first wells drilled on this pad to describe the stratigraphy of the vertical section of the wellbore and 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. The Drilling Completion Report-Form 5 for every well on the pad shall identify which well was logged.</p>
11	Final Reclamation	<p>604.c.(2)T. Well Site Cleared: Within 90 days subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site. Identification of plugged and abandoned wells will be identified pursuant to 319.a.(5)</p> <p>604.c.(2).U. Identification of Plugged and Abandoned Wells: The operator shall identify the location of the wellbore with a permanent monument as specified in Rule 319.a.(5). The operator shall also inscribe or imbed the well number and date of plugging upon the permanent monument.</p>

Total: 11 comment(s)

**Attachment Check List**

<b>Att Doc Num</b>	<b>Name</b>
400911374	OffsetWellEvaluations Data
400911384	WELL LOCATION PLAT
400911389	DIRECTIONAL DATA
400912318	EXCEPTION LOC REQUEST
400912325	SURFACE AGRMT/SURETY
400912327	DEVIATED DRILLING PLAN

Total Attach: 6 Files

### General Comments

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Permit	Passed completeness. Added pilot hole to well name and contact info page per operator.	10/6/2015 3:02:26 PM

Total: 1 comment(s)