



May 15, 2018

SENT VIA CERTIFIED &/or E- MAIL

SRC Energy, Inc
Attn: Julie Tannehill
1675 Broadway, Suite 2600
Denver, CO 80202

**RE: COGCC Rule 317.s: Statewide Fracture Stimulation Setback
FLASCHENRIEM 1, 2, 3 & 4 Wells located in the following:
SHL: SENW Section 3, Township 4 North, Range 68 West, Weld County, Colorado
BHL: SE/4 Sec. 34 & S/2 Sec. 35 – T5N-R68W, Larimer County, Colorado**

Dear SRC Energy Inc,

Petro Operating Co., LLC (Petro) is planning to drill and operate the above referenced west-east trending horizontal wells. According to **Rule 317 General Drilling Rules, part s Statewide Fracture Stimulation Setback:**

(1) No portion of a proposed wellbore's treated interval shall be located within 150 feet of an existing (producing, shut-in, or temporarily abandoned) or permitted oil and gas wellbore's treated interval belonging to another operator without the signed written consent of the operator of the encroached upon wellbore. The signed written consent shall be attached to the Application for Permit-to-Drill, Form 2 for the proposed wellbore.

(2) The distance between wellbores measurement shall be based upon the directional survey for drilled wellbores and the deviated drilling plan for permitted wellbores, or as otherwise reflected in the COGCC well records. The distance shall be measured from the perforation or mechanical isolation device.

The above referenced proposed **FLASCHENRIEM 1, 2, 3 & 4** wells do fall within 150' of SRC Energy, Inc wells listed here as:

1. **Avex 33-35D (API 05-069-06440) distance to planned to FLASCHENRIEM 1 = 132' & FLASCHENRIEM 2 = 89'.**
2. **Avex 35D (API 05-069-06441) distance to planned to FLASCHENRIEM 3 = 83' & FLASCHENRIEM 4 = 108'**

And just an FYI, this one is just over the 150': Avex 34-35D (API 05-069-06444) distance planned to FLASCHENRIEM 8 = 153'.

With this letter Petro Operating Co., LLC respectfully requests SRC Energy Inc's Consent to having a treated interval within 150' in accordance with 317.s and below is a Consent signature page for your convenience.

Thanks very much!

Respectfully,

Paul Gottlob
NEW IPT, Inc
Agents for Petro Operating Co., LLC
Phone: (720) 420-5747
paul.gottlob@iptenergyservices.com



Rule 317 General Drilling Rules, part s Statewide Fracture Stimulation Setback:

Stimulation Setback Consent for the

FLASCHENRIEM 1, 2, 3 & 4 Wells located in the following:

SHL: SENW Section 3, Township 4 North, Range 68 West, Weld County, Colorado

BHL: SE/4 Sec. 34 & S/2 Sec. 35 – T5N-R68W, Larimer County, Colorado

I, Nick Spence (print name), acting as self or agent of SRC Energy Inc, owner of the offset wells within the 150' Fracture Stimulation Setback, with full power to execute the following, do hereby agree with the Stimulation Setback Consent to having a treated interval within 150' in accordance with 317.s of our operated wells and the wells proposed by Petro Operating Co., LLC.

Signed

Date

5/15/18