

St. Croix Operating, Inc.
Prairie Ridge #1
NESE Section 13, T3S R50W
Washington County, Colorado

WATER PLAN

St. Croix Operating, Inc. (St. Croix) has drafted this plan in accordance with 304.c.(18).

Recycled water will be used for drilling operations. This well will not be hydraulically fractured. This well will not use any water for completion operations.

Freshwater will be used for drilling the surface hole and for dust mitigation. St. Croix will purchase the freshwater from the City of Wray.

St. Croix's primary source of water is intended to be recycled water from producing wells near to the proposed location. The produced water will be brought to location via pipelines.

Prior to spud, St. Croix will submit via Form 4 analytical of the recycled water to be utilized to show compliance with Table 437-1.

St. Croix is proposing one vertical well for this location. The well is anticipated to use 4,215 barrels for drilling. The well will use 0 barrels of water for completion operations.

Recycled Water Source

| | |
|-----------------------------------|---------------------------|
| Planned Volume of Recycled Water: | 3,715 bbls |
| Planned Source Location: | 39.81076, -103.08179 |
| Seller's Name: | St. Croix Operating, Inc. |

Freshwater Source

| | |
|----------------------------------|--------------------------------|
| Planned Volume of Surface Water: | 0 |
| Planned Volume of Groundwater: | 1540 bbls |
| Planned Source Location: | 40.080545, -102.922843 |
| Seller's Name: | City of Wray |
| Seller's Mailing Address: | 150 Ash Street, Wray, CO 80758 |

St. Croix's operations will use freshwater exclusively for dust mitigation to minimize the potential of residual pollutants that could be transported to nearby surface waters.