

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.)

T8N-R91W
Sec. 17: E/2 SW/4, W/2 SE/4
Sec. 20: NE/4, E/2 SE/4
Sec. 28: N/2 NW/4, SW NW, NW NE
Sec. 29: E/2 NE/4, SE NW, E/2 SW/4, SE, SW NE, W/2 W/2
Sec. 30: Lot 7, 8, 9, NE SW, SE NW, W/2 E/2, E/2 NE/4, NE SE
Sec. 31: Lots 5, 6, 7,

Total Acres in Described Lease: 1732 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: 654 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5049 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 5280 Feet
Above Ground Utility: 4442 Feet
Railroad: 5280 Feet
Property Line: 1246 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: 1528 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1981 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

Spacing Order No. 1309-SP-1177. Pooling Order No. 1309-UP-191

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	1309-1177	25845	Sec. 29,30,31,32

DRILLING PROGRAM

Proposed Total Measured Depth: 14076 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1528 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? Yes

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: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: _____ Cuttings Disposal Method: Other

Other Disposal Description:

Water based cuttings to be tested to Table 910 standards, mixed/treated as necessary, and buried or spread at location. Oil based cuttings to be hauled to commercial disposal facility.

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	60	60	60	0
SURF	13+1/2	10+3/4	40.5#	0	1500	410	1500	0
1ST	9+7/8	7+5/8	26.4#	0	12100	810	12100	5500
1ST LINER	6+3/4	0+0/0	0	0	14076	395	14076	11300

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

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: Lisa Smith

Title: Agent for Axia Energy LLC Date: 12/9/2013 Email: lisa@permitco-usa.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

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.

COA Type

Description

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

Best Management Practices

No BMP/COA Type

Description

<u>No BMP/COA Type</u>	<u>Description</u>

Attachment Check List

Att Doc Num	Name
400514915	FORM 2 SUBMITTED
400518817	CONSULT NOTICE
400518818	UNIT CONFIGURATION MAP
400518820	MINERAL LEASE MAP
400518821	LEGAL/LEASE DESCRIPTION
400518822	SURFACE AGRMT/SURETY
400518824	PLAT
400518825	DEVIATED DRILLING PLAN
400518832	DIRECTIONAL DATA
400524157	MULTI-WELL PLAN

Total Attach: 10 Files

General Comments

User Group	Comment	Comment Date
Permit	Return to draft for the following: 1. QtrQtr should be NWNE. 2. Missing Well Plat attachment.	12/10/2013 1:54:16 PM

Total: 1 comment(s)