

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.)

SESE SEC. 2; NENE SEC. 11 and lands in other sections

Total Acres in Described Lease: 560 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: 660 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2410 Feet
 Building Unit: 2500 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 880 Feet
 Above Ground Utility: 150 Feet
 Railroad: 5280 Feet
 Property Line: 990 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: 1165 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 990 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Tanner Unit Number: COC 051850X

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
LANSING-KANSAS CITY	LGKC			
NEVA	NEVA			
RED CAVE	RDCV			

DRILLING PROGRAM

Proposed Total Measured Depth: 4146 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1165 Feet (Including plugged wells)

Will a closed-loop drilling system be used? No

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 N/A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: _____ Drilling Fluids Disposal Methods: _____

Cuttings Disposal: _____ Cuttings Disposal Method: _____

Other Disposal Description:

NONE- EXISTING WELL

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
SURF	12+1/4	8+5/8	24	0	1616	650	1616	0
1ST	7+7/8	5+1/2	14	0	4209	175	4209	3240

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: 321099

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: DAVE REBOL

Title: MEMBER Date: 7/2/2014 Email: DAVEREBOL@HOTMAIL.COM

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: *Matthew Lee* Director of COGCC Date: 8/9/2014

Expiration Date: 08/08/2016

API NUMBER

05 009 06453 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.

COA Type

Description

	1) Provide cement coverage to at least 200' above the shallowest completed interval. 2) Submit copy of CBL(s) and updated Forms 5 and 5A.
--	--

Best Management Practices

No BMP/COA Type

Description

--	--

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2363289	FORM 2 SUBMITTED
2519267	EXCEPTION LOC REQUEST
400646170	OTHER
400646172	WELLBORE DIAGRAM

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	3/8/2014 1:46:09 PM
Permit	Attached exception location request letter requesting an exception to Rule 603.a(1).	3/8/2014 6:36:36 AM
Permit	The rig height will be a double double which will be at 65 feet. the well has been there 25 years and is currently produceable. The power to the well is not a high line - the power to the well is run underground to a 12 foot pole which has a disconnect panel on it. The power is currently shut off.	7/22/2014 12:27:48 PM
Permit	Revised distances to buildings and public road to coincide with COGCC GIS and Google Earth.	7/17/2014 1:14:10 PM
Permit	Added that well falls within the Tanner secondary recovery unit.	7/17/2014 1:04:43 PM
Permit	Verified well is 150 feet from power line. Requested info on purpose of power line. Rig height? Operator says its power going to nearby well which they own. Can power be turned off during recompletion?	7/17/2014 12:28:52 PM
Permit	Is right to construct the well the lease since the surface/mineral owner signed the lease? or right away?	7/17/2014 12:19:14 PM
Permit	Passed completeness. Received corrections from operator and added them to the eForm. See below for their response: 1. multiple zone type 2. Plugging & Abandonment Bond ID 2010-0051 3. Total acres described in lease - 640 4. SE/4 Sec 2; SW/4 Sec 1; NW/4 Sec 11; NE/4 Sec 12 4.5. Mineral Lease Information: 40 acres; SESE, Sec 2, 35S 46 W 5. Surface owner is committed to an oil and gas lease 6. No closed loop system 7. No salt based fluids 8. No salt sections encountered 9. No oil based fluids 10. Water well sampling: N/A 11. Wellbore Diagram attached 12. Proposed Recomplete Procedure attached It is approximately 150 feet to the utility.	7/17/2014 10:11:44 AM
Permit	Asked operator to review the following: 1. Zone type blank 2. Plugging and Abandonment ID blank 3. Total acres described in lease is blank 4. Described mineral lease is blank 4.5. Mineral Lease Information is blank 5. Marked that signed an oil and gas lease, but not marked that surface owner is mineral owner, nor that the surface owner is committed to an oil and gas lease. 6. Will a closed loop system be used is blank 7. Salt based fluids used is blank 8. Salt sections encountered is blank 9. Oil based fluids used is blank 10. Water well sampling rule blank 11. Missing Wellbore Diagram attachment 12. Missing Proposed Recomplete Procedure attachment	7/15/2014 4:27:37 PM

Total: 9 comment(s)