

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.)

Lots 6, 7, & 8 N 350' of Lots 11 & 12 & that part of Tr. 48 lying N of Kannah Creek +1 ac of Sec. 33 & Lot 2 of Sec. 34, T12S, R97W 6th PM, Mesa County, Colorado

Total Acres in Described Lease: 154 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: 638 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1500 Feet
 Building Unit: 1500 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 945 Feet
 Above Ground Utility: 1530 Feet
 Railroad: 5280 Feet
 Property Line: 638 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: 964 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1425 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): BLM Whitewater Unit Number: 73038X

SPACING & FORMATIONS COMMENTS

Whitewater Federal Unit; no spacing order.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
DAKOTA	DKTA			

DRILLING PROGRAM

Proposed Total Measured Depth: 3580 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 964 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? 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 609

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	17	14	40	0	40	60	40	0
SURF	12+1/4	9+5/8	36	0	500	105	500	0
1ST	8+3/4	7	26	0	3350	242	3350	400
1ST LINER	6+1/8	4+1/2	11.6	3300	3580	0		

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

1. Sidetrack necessary due to no oil show and purpose for sidetrack is to drill for secondary target.
2. Current well MD; 3,445'
3. 9 5/8" 36#, J-55, STC set at 486' and cemented with 3 bbl cement to surface.
4. No fish in hole.
5. Bottom plug from TD @ 3,445' to 2,745' 150sxs VersaCem with 0% excess, 12.8 ppg, 1.96 yield. This will bring top of plug 630' above Dakota Sand @ 3,375'.
Kick-off plug will be set from 1,700' to 1,000'. 17.0 ppg neat, 0.99 yield, 0% excess, 52 bbl / 295 sxs.
6. Bottom plug; Versacem, 12.8 ppg, yield; 1.96
Kick-off plug; G-Neat, 17.0 pps, yield 0.99
7. Kick off @ 950', - currently being verified by directional company.
8. Same objective; Dakota Sand
9. BHL Target; 38.966270 / -108.236194, TVD; 3,488'.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: _____

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 Cook

Title: Manager Date: 6/14/2014 Email: dave@framamericas.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:  Director of COGCC Date: 10/31/2014

Expiration Date: 10/30/2016

API NUMBER

05 077 10217 01

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

	Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.
	1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED. SEE ATTACHED NOTICE. (2) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE (1st STRING) CASING SHOE TO A MINIMUM OF 200' ABOVE TOP OF GAS (OR OTHER SHALLOWEST-KNOWN PRODUCING HORIZON). VERIFY CEMENT WITH A CBL.

Best Management Practices

No BMP/COA Type

Description

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Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num

Name

400624708	FORM 2 SUBMITTED
400625200	WELLBORE DIAGRAM
400625201	CORRESPONDENCE
400625202	WELL LOCATION PLAT
400626792	DEVIATED DRILLING PLAN
400626793	DEVIATED DRILLING PLAN
400626794	DIRECTIONAL DATA

Total Attach: 7 Files

General Comments

User Group

Comment

Comment Date

Permit	Requested a form 5 for the original well bore and corrected task to "pass final review".	10/31/2014 2:37:10 PM
Permit	Final review completed on this sidetrack. No LGD comments.	7/31/2014 8:06:40 AM
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 122 FEET DEEP. CORRECTED FOR ELEVATION THE BOTTOM OF THE WATER WELL IS 340 FEET BELOW THE SURFACE LOCATION. Offset well evaluation: COGCC evaluated the two wells. No mitigation is required.	6/18/2014 11:28:34 AM
Permit	Passed completeness. Changed well location lot from lot 7 to lot 8 after verifying with maps and attached well plat.	6/17/2014 8:54:06 AM

Total: 4 comment(s)