

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.)

SEE ATTACHED LEASE MAP

Total Acres in Described Lease: 20674 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: 3840 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 5280 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 1297 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: 286 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1441 Feet (Enter 5280 for distance greater than 1 mile.)

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

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.)
WILLIAMS FORK	WMFK	510-17	640	ALL

DRILLING PROGRAM

Proposed Total Measured Depth: 9082 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 286 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: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Cuttings trench

Other Disposal Description:

Beneficial reuse or land application plan submitted? No

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	26	18	48	0	80	50	80	0
SURF	14+3/4	9+5/8	36	0	2951	786	618	0
1ST	8+3/4	4+1/2	11.6	0	9082	618	9082	5880

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 is a refile with changes to the Surface and Bottom holes

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

Location ID: 335603

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: ANGELA NEIFERT-KRAISER

Title: Regulatory Specialist Date: 1/14/2015 Email: ANGELA.NEIFERT-

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: 4/27/2015

Expiration Date: 04/26/2017

API NUMBER
05 045 20355 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
	<p>1)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice.</p> <p>2)Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: all field notice requirements specified in this notice to operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see condition of approval #1). See attached notice.</p> <p>3)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesa Verde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.</p>

Best Management Practices

No	BMP/COA Type	Description
1	Planning	WPX will run triple-combo open hole logs from well TD up to base of surface casing on one of the first wells drilled on a multi-well pad. Remaining wells on the pad will be logged with either cased hole pulsed neutron or triple-combo open hole. Every well will also have a CBL log from well TD up through well surface. Form 5 Completion Reports will identify wells on the pad with triple-combo open hole logs.

2	Planning	<ul style="list-style-type: none"> • To the extent practicable, share and consolidate new corridors for pipeline rights-of-way and roads to minimize surface disturbance. • Engineer new pipelines to reduce field fitting and reduce excessive right-of-way widths and therefore subsequent reclamation requirements. • Plan new transportation networks and new oil and gas facilities to minimize surface disturbance and the number and length of oil and gas roads through the utilization of common roads, rights of way, and access points to the extent practicable.
3	General Housekeeping	<ul style="list-style-type: none"> • Post speed limits and caution signs to the extent allowed by surface owners, Federal and state regulations, local government, and land use policies, as appropriate. • Use remote monitoring of well production to the extent practicable. • Maintain pre and post development site inspection records and monitor operations for compliance. • Ensure that staging, refueling, and chemical storage areas are established outside of riparian zones and floodplains, as appropriate. • Store and stage emergency spill response equipment at strategic locations so that it is available to expedite effective spill response.
4	Wildlife	<ul style="list-style-type: none"> • Install and maintain adequate measures to exclude birds and big game from all fluid pits to the greatest extent possible (e.g. fencing, netting, and other appropriate exclusionary measures). • Construct fluid pit fences and nets that are capable of withstanding animal pressure and environmental conditions and that are appropriately sized for the wildlife encountered. • Skim and eliminate oil from produced water ponds and fluid pits at a rate sufficient to prevent oiling of birds or other wildlife that could gain access to the pit and as consistent with COGCC skimming requirements. • Treat fresh water pits and any associated pit containing water that provides a medium for breeding mosquitoes with Bti (<i>Bacillus thuringiensis v. israelensis</i>) or other similar products, or take other effective action to control mosquito larvae that may spread West Nile Virus to wildlife, especially grouse. • Reclaim reserve pits as quickly as practical after drilling and completions to ensure that pit contents do not offer the possibility of unnecessary environmental liability to the environment or local biota.
5	Construction	<ul style="list-style-type: none"> • Use minimum practical construction widths for new rights-of-way where pipelines cross riparian areas, streams, and critical habitats, where possible. • Perform routine inspections of netting and pit liner systems to ensure proper function and condition for preventative maintenance and incident deterrence. • Strip and segregate topsoil prior to construction. Appropriately configure topsoil piles and seed as immediate as practicable to control erosion, prevent weed establishment and maintain soil microbial activity. • Where allowed by the surface owner, mow or brushhog vegetation for temporary staging areas where appropriate, leaving root structure intact, instead of scraping the surface.
6	Drilling/Completion Operations	<ul style="list-style-type: none"> • Minimize rig mobilization and demobilization where practicable by completing or recompleting all wells from a given well pad before moving rigs to a new location. • Maximize the use of directional drilling to minimize habitat loss/fragmentation.

7	Interim Reclamation	<ul style="list-style-type: none"> • Commensurate with the language set forth in the surface agreement, interim and final reclamation shall be performed as early as practical and to the greatest extent possible. • Apply a weed management plan. Utilize an adaptive management strategy that permits effective response(s) to monitored findings and reflects local site geography and conditions. • Perform interim reclamation on all disturbed areas not needed for active support of production operations consistent with applicable timing restrictions and requirements. • Control listed noxious weeds in areas surrounding reclamation areas, as reasonable, in order to reduce weed competition. • Educate employees and contractors about weed issues. • Utilize GIS technologies to assess the initial and final extent of disturbance and document reclamation progression.
---	---------------------	--

Total: 7 comment(s)

Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.
NW Colorado Notification Policy.
Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400678763	FORM 2 SUBMITTED
400723868	DIRECTIONAL DATA
400723869	DEVIATED DRILLING PLAN
400723873	WELL LOCATION PLAT
400723874	ACCESS ROAD MAP
400723881	LEASE MAP
400771264	OTHER

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	3/17/2015 3:22:06 PM
Permit	Corrected disance to lease line from 7294' to 3840' as per opr. Added 640 acres to describe acres in unit as per opr. Ready to pass.	1/26/2015 8:59:03 AM
Engineer	Evaluated existing offset wells within 1,500 feet of this wellbore. Offset wells in the area target the Mesa Verde formation. No mitigation required. Offset water well check: The proposed surface casing is more than 50' below the depth of the deepest water well within 1-mile of the surface location. There is one water well within 1-mile and the depth is shown as zero feet. The deviated drilling plan shows the surface casing extending through the Green River Formation.	1/22/2015 9:25:16 AM
Permit	Changed file label from "Surface owner consent" to "other" per operator request. Distance to nearest unit boundary left blank, added after operator confirmation. Passed completeness.	1/15/2015 11:07:37 AM

Total: 4 comment(s)