

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.)

T11N R62W Section 7: Lots 3(39.12), 4(39.17), E/2SW; T11N R63W Section 12: ALL; Section 13: W/2; Section 24: W/2, NE

Total Acres in Described Lease: 1598 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: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 685 Feet
 Building Unit: 2769 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 3350 Feet
 Above Ground Utility: 3257 Feet
 Railroad: 5280 Feet
 Property Line: 666 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 proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 320 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 600 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

Unit Configuration: Section 7 T11N R62W; All: Section 18 T11N R62W; All

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CODELL	CODL	421-69	1275	Secs. 7 & 18

DRILLING PROGRAM

Proposed Total Measured Depth: 16656 Feet

Distance from proposed wellbore to nearest existing or permitted wellbore belonging to another operator:

3400 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 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? 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	20	16	42	0	60	50	60	0
SURF	13+1/2	9+5/8	36	0	1500	359	1500	0
1ST LINER	8+3/4	5+1/2	17	0	16656	2239	16656	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 Distances to nearest wellbore completed or permitted in the same formation was taken from the penetration point of this well and the penetration point of the pending Garden Creek 513-1807H.

Please send a copy of all written and e-mail correspondence to Kim Rodell at krodell@upstreampm.com. Thank you.

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: Barbara Griswold

Title: Sr. Regulatory Specialist Date: 9/18/2015 Email: barbara_griswold@eogresourc

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: 12/18/2015

Expiration Date: 12/17/2017

API NUMBER
05 123 42605 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.

<u>COA Type</u>	<u>Description</u>
	<p>1) Note surface casing setting depth change to 1500'. Increase cement coverage accordingly and cement to surface.</p> <p>2) Submit Form 42 electronically to COGCC 48 hours prior to MIRU for the first well activity with a rig on the pad.</p> <p>3) Provide 48 hour spud notice for each subsequent well drilled on the pad.</p> <p>3) Comply with Rule 317.j and provide cement coverage from TD to a minimum of 200' above the Niobrara. Verify coverage with cement bond log.</p> <p>4) Oil based drilling fluid is to be used only after all aquifers are covered.</p>
	<p>Operator acknowledges the proximity of the listed non-producing well(s). Operator agrees to provide mitigation Option 3 (per the DJ Basin Horizontal Offset Policy), ensure all applicable documentation is submitted, and submit Form 42(s) ("OFFSET MITIGATION COMPLETED") for the remediated well(s), referencing the API Number of the proposed horizontal well(s) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.</p> <p>Solomon #1 (API #123-07718)</p>

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	<p>One of the first wells drilled on this pad will be logged with an open-hole Resistivity Log and Gamma Ray Log from the kick off point into the surface casing. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The horizontal portion of every well will be logged with a measured-while-drilling gamma-ray log. The Form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached. The Form 5 for a well without open-hole logs shall clearly state "No open-hole logs were run" and shall clearly identify (by API#, well name and & number) the well in which open-hole logs were run.</p>
2	Drilling/Completion Operations	<p>Anti-collision: EOG Resources, Inc. will perform an anti-collision evaluation of all active (producing, shut in or temporarily abandoned) offset well bores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling.</p> <p>Prior to drilling operations, EOG will perform an anti-collision review of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision review may include MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument and compared against the proposed well path with its respective error of uncertainty. If the current surveys do not exist for the offset wells, EOG may have gyro surveys conducted to verify bottom hole location. EOG may also perform IFR (In Field Reference) to increase survey accuracy. The proposed well will only be drilled if the anti-collision review results indicate that the risk of collision is sufficiently low as defined by the anti-collision plan, with separation factors greater than 1.5 or if the risk of collision has been mitigated through other means including shutting in wells, plugging wells, increased drilling fluid in the event of lost returns or as appropriate for the specific situation. In the event of an increased risk of collision, that risk will be mitigated to prevent harm to people, environment or property. A MWD directional survey for the proposed well will be submitted to the COGCC with Form 5 upon completion of drilling operations.</p>

Total: 2 comment(s)

Applicable Policies and Notices to Operators

Policy
Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400865235	FORM 2 SUBMITTED
400869118	DEVIATED DRILLING PLAN
400899616	OffsetWellEvaluations Data
400899670	DRILLING PLAN
400899671	DIRECTIONAL DATA
400901981	WELL LOCATION PLAT

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	12/18/2015 3:57:29 PM
Permit	Permitting Review Complete.	12/18/2015 3:26:31 PM
Permit	Open Hole Logging BMP submitted by operator.	12/18/2015 3:26:28 PM
Engineer	Changed "Distance from proposed wellbore to nearest existing or permitted wellbore belonging to another operator" to reflect the distance to 123-07718.	12/1/2015 2:01:52 PM
Engineer	Offset 123-07718 IE Log shows base of Fox Hills transition at 1150', w/gs 5251'. No WW's w/in 2 miles in SltY KPu 1600-2000'.	10/8/2015 11:44:22 AM

Public	<p>The State of Colorado and the fracking industry have violated our Inalienable Rights, acted in an arbitrary and capricious manner, acted in abuse of discretion, have not offered citizens equal protection, violated the Clean Air Act, Colorado Air Pollution Prevention and Control Act, Oil and Gas Conservation Act, Breach of Fiduciary Duty, have allowed the cause of irreparable harm, and have threatened our fundamental rights to life, liberty and property.</p> <p>This specific permit warrants further investigation into whether the operator can successfully and fully operate in a manner consistent with the protection of public health safety and welfare.</p> <p>Colorado citizens need to be able to protect themselves, their families, their environment, the values of their homes and exercise their civil rights to safety, but they cannot, and are in fact prohibited by the state and fracking industry from doing so.</p> <p>An objective compendium of scientific, medical and media findings demonstrating the risks and harms of fracking has been collected by Concerned Health Professionals of New York. The current edition will be released in mid October and is a collaboration with Physicians for Social Responsibility (http://www.psr.org). These articles demonstrate that gas and oil extraction using hydraulic fracturing, is not safe and cannot be conducted in a manner consistent with public health, safety and welfare. See: http://concernedhealthny.org/compendium/</p> <p>The associated risks of the fracking industry are too great, and a precautionary principle must be addressed before any operations take place. I recommend that this permit be denied immediately.</p>	10/7/2015 4:31:30 AM
Public	<p>I firmly believe the State of Colorado and the fracking industry have violated our Inalienable Rights, acted in an arbitrary and capricious manner, acted in abuse of discretion, have not offered citizens equal protection, violated the Clean Air Act, Colorado Air Pollution Prevention and Control Act, Oil and Gas Conservation Act, Breach of Fiduciary Duty, have allowed the cause of irreparable harm, threatened our fundamental rights to life, liberty and property.</p> <p>This specific permit warrants further investigation into whether the operator can successfully and fully operate in a manner consistent with the protection of public health safety and welfare.</p> <p>Colorado citizens need to be able to protect themselves, their families, their environment, the values of their homes and exercise their civil rights to safety, but they cannot, and are in fact prohibited by the state and fracking industry from doing so.</p> <p>Also, there is a compendium of health studies that show mining using hydraulic fracturing, is not safe and cannot be conducted in a manner consistent with public health, safety and welfare. See: http://concernedhealthny.org/compendium/</p> <p>The associated risks of the fracking industry are too great, and a precautionary principle must be addressed before any operations take place. I recommend that this permit be denied immediately.</p>	10/3/2015 9:21:47 AM
Permit	Pass completeness	9/21/2015 11:03:13 AM

Total: 8 comment(s)