

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:

TYPE OF WELL OIL GAS COALBED OTHER _____ Refiling

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Well Name: Brighton Lakes Well Number: 20-17-2NBH

Name of Operator: PETROSHARE CORPORATION COGCC Operator Number: 10454

Address: 9635 MAROON CIRCLE #400

City: ENGLEWOOD State: CO Zip: 80112

Contact Name: Andrea Gross Phone: (303)942-0506 Fax: ()

Email: agross@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 20130019

WELL LOCATION INFORMATION

QtrQtr: SESW Sec: 20 Twp: 1S Rng: 66W Meridian: 6

Latitude: 39.944420 Longitude: -104.801930

Footage at Surface: 400 Feet FNL/FSL FSL 1934 Feet FEL/FWL FWL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 5047 County: ADAMS

GPS Data:
Date of Measurement: 12/21/2016 PDOP Reading: 1.3 Instrument Operator's Name: Kyle Daley

If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL

460 FSL 1237 FEL 460 FNL 1237 FEL

Sec: 20 Twp: 1S Rng: 66W Sec: 17 Twp: 1S Rng: 66W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: Fee State Federal Indian

The Surface Owner is: is the mineral owner beneath the location.
(check all that apply) is committed to an Oil and Gas Lease.
 has signed the Oil and Gas Lease.
 is the applicant.

The Mineral Owner beneath this Oil and Gas Location is: Fee State Federal Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: No

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place: _____ Surface Surety ID: _____

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.)

Please see lease map.

Total Acres in Described Lease: 238 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: 989 Feet
Building Unit: 1078 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 386 Feet
Above Ground Utility: 432 Feet
Railroad: 4640 Feet
Property Line: 400 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: 237 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 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.)
NIOBRARA	NBRR	407-1879	640	S. 17:E2; S.20:E2

DRILLING PROGRAM

Proposed Total Measured Depth: 17789 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: 0 Feet No well belonging to another operator within 1,500 feet

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 318A

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
SURF	13+1/2	9+5/8	36	0	1800	620	1800	0
1ST	8+3/4	5+1/2	17	0	17789	3585	17789	

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 Distance to the nearest well permitted in the same formation was measured to the permitted Brighton Lakes 20-17-2NCH. Distance to the nearest well by another operator was measured to the proposed Ward Petroleum Brighton Lakes 2017-3-17HC but doesn't not take into consideration vertical separation. The wellbore also crossed the Ward Petroleum Brighton Lakes 2017-3-15HN, Brighton Lakes 2017-13HN and Brighton Lakes 14HC. The portion of the proposed PetroShare Brighton Lakes 20-17-2-CDH wellbore that crosses the proposed Ward wellbores is not a producing interval and therefore a stimulation setback waiver is not required.

This application is in a Comprehensive Drilling Plan No 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: Andrea Gross

Title: Permit Agent Date: _____ Email: agross@upstreampm.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
1	Drilling/Completion Operations	Noise Mitigation: Baseline noise monitoring and testing will be conducted prior to the commencement of construction. Sound mitigation will be designed based on the results of the study to meet or exceed COGCC noise requirements. During completion activities, onsite equipment shall be positioned to take full advantage of the sound mitigation measures provided by the sound walls, well pad grading, and surrounding topography. Sound wall(s) will remain in place through the end of completions operations.
2	Drilling/Completion Operations	Light sources during all phases of operations will be directed downwards and away from occupied structures. Permanent lighting will be installed around the facility to allow both the operator and haulers to conduct safe operations at night. All lights will be directed down toward the location or shielded.
3	Drilling/Completion Operations	Closed Loop System: A Closed Loop System will be used for drilling and fluid management. No reserve pit will be used.
4	Drilling/Completion Operations	Logging: One of the first wells drilled on the pad will be logged with 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 & number) the well in which open-hole logs were run.
5	Drilling/Completion Operations	Anti-Collision: PetroShare will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice will be given to all offset operators within 150 feet prior to drilling.
6	Drilling/Completion Operations	Drill Stem Tests: Not applicable. No drill stem tests are planned.
7	Drilling/Completion Operations	BOPE for well servicing operations: Adequate blowout prevention equipment will be used on any servicing operations associated with this well. Backup stabbing valves shall be required on well servicing operations during reverse circulation. Valves will be pressure tested before each well servicing operation using both low-pressure and high-pressure fluid.
8	Drilling/Completion Operations	BOPE Testing for Drilling Operations: BOPE tests will be done upon initial rig-up and once every 30 days during drilling operations, pressure testing of the casing string and each component of the BOPE will be performed to 70% of working pressure or 70% of the internal yield of the casing, whichever is less.
9	Drilling/Completion Operations	BOPE: Ward will utilize drilling rigs with a minimum of a double ram and annular preventer.
10	Drilling/Completion Operations	Pit Level Indicators: Pit Level Indicators will not be needed as no pits will be used on location.
11	Drilling/Completion Operations	Operator acknowledges and will comply with COGCC policy for Bradenhead Monitoring during Hydraulic fracturing treatments in the Greater Wattenberg Area dated May 29, 2012.

Total: 11 comment(s)

Attachment Check List

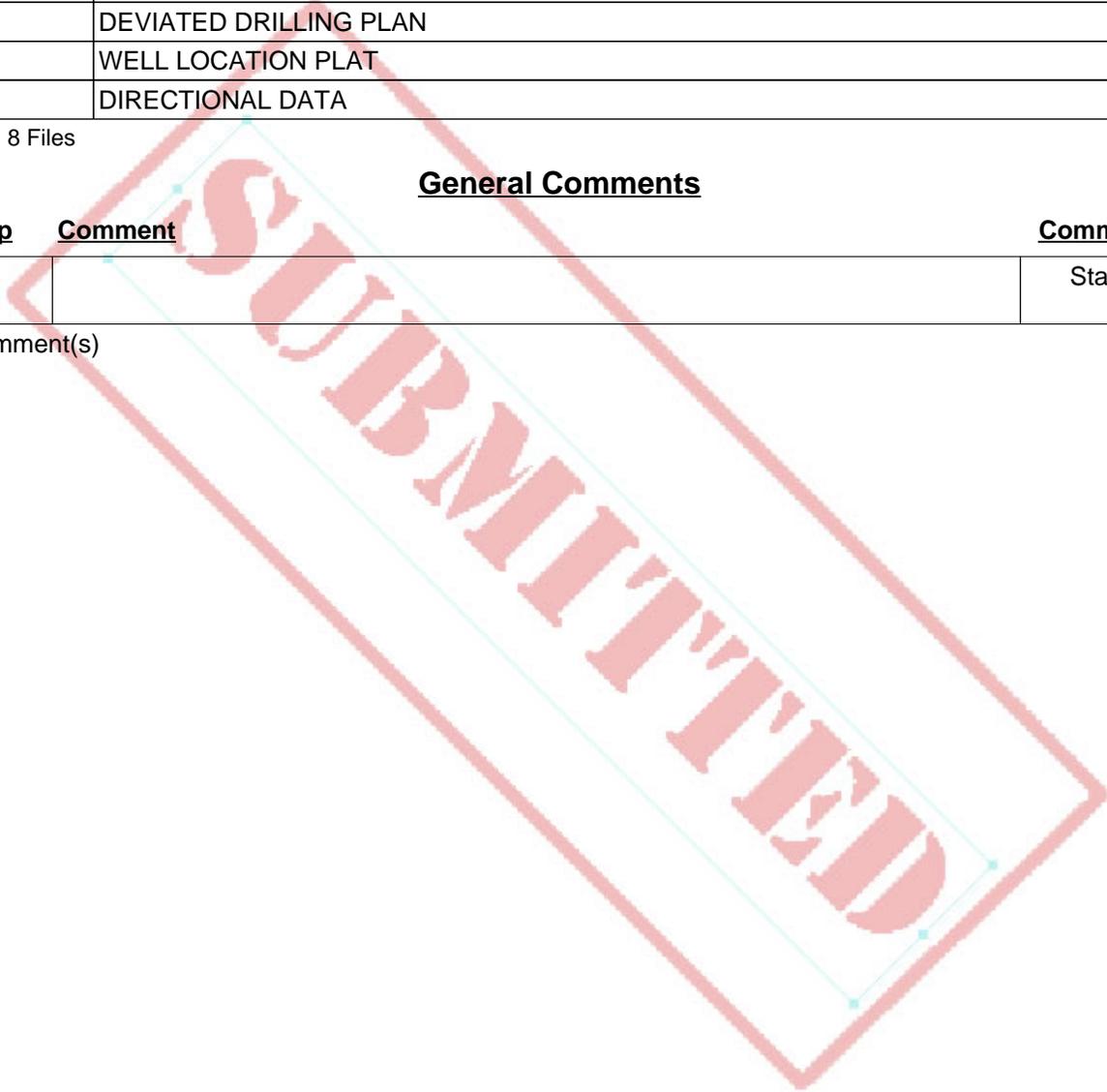
Att Doc Num	Name
401223343	OffsetWellEvaluations Data
401223344	EXCEPTION LOC REQUEST
401223345	EXCEPTION LOC WAIVERS
401223346	LEASE MAP
401223349	SURFACE AGRMT/SURETY
401223351	DEVIATED DRILLING PLAN
401223352	WELL LOCATION PLAT
401225216	DIRECTIONAL DATA

Total Attach: 8 Files

General Comments

User Group	Comment	Comment Date
		Stamp Upon Approval

Total: 0 comment(s)



Public Comments

No public comments were received on this application during the comment period.

