

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.)

W/2 Sec. 1, 17S 48W, 6th PM.

Total Acres in Described Lease: 320 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: 720 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: 4526 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 720 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: 5280 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1950 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

Quiver Unit as follows:

Township 17 South, Range 48 West, 6th P.M.

Section 1: S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$

Section 2: SE $\frac{1}{4}$

Section 11: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$

Section 12: NW $\frac{1}{4}$

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
ST LOUIS	STLS	560-1	1040	See comments above

DRILLING PROGRAM

Proposed Total Measured Depth: 5140 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: _____ Feet No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? _____

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? _____ (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? _____

Will salt based (>15,000 ppm Cl) drilling fluids be used? _____

Will oil based drilling fluids be used? _____

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: _____ Drilling Fluids Disposal Methods: _____

Cuttings Disposal: _____ Cuttings Disposal Method: _____

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
SURF	12+1/4	8+5/8	24	0	440	325	440	0
1ST	7+7/8	5+1/2	15.5	0	5150	100	5150	4500
S.C. 1.1					2486	500	2486	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 Procedure to recomplete the UPLRC-George #2 to the St. Louis Formation:
1. TOH with rods, pump and tubing.
2. Set CIBP at 5015' to abandon existing Spergen perms at 5034'-5042'.
3. Perforate the St. Louis formation at 4966'-4972' (4spf, 25 holes total).
4. Acidize the St. Louis with 500 gals. 15% MCA and 1000 gals. MOD-202.
5. Swab test.
6. Run tubing, pump and rods. Restore well to production.

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

Location ID: 324888

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: Risa Carter

Title: Production Tech. Date: 1/10/2017 Email: rcarter@mulldrilling.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: 6/9/2017

Expiration Date: 06/08/2019

API NUMBER
05 061 06761 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) Dump bail 2 sacks cement on CIBP proposed at 5025'. 2) Run cement bond log. Verify TOC 200' above proposed St. Louis perforations.

Best Management Practices

No BMP/COA Type	Description

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>
901562	RECOMPLETION PROCEDURE
401181491	FORM 2 SUBMITTED
401181550	WELLBORE DIAGRAM
401181553	WELLBORE DIAGRAM
401186841	WELL LOCATION PLAT

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	06/08/2017
Permit	Resolved all form issues with operator via phone conversation on 6/8/2017. All data entry was approved by the operator on 6/8/2017.	06/08/2017
Permit	Various data fields are missing. Will need to resolve issues with operator.	02/03/2017
Engineer	Casing: Operator did not indicate the primary TOC of 4500' (calc) nor the stage cement, per Form 5 #951269: 500 sacks cement 2486' to surface.	01/30/2017
Permit	Recompletion procedure attachment added, per operator request.	01/18/2017
Permit	Still need a copy of the Recomplete procedure. Passed completeness.	01/18/2017
Permit	Returned to Draft: * Need plugging/abandonment bond surety id. * Need County entered. * Need ground elevation entered. * Attach a copy of the recomplete procedure. * Attach an updated plat, or a clear copy of one, the copy we have is hard to see.	01/17/2017

Total: 7 comment(s)