

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------|
| TYPE OF WELL OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER <u>Unplanned</u> | Refiling <input type="checkbox"/> | Date Received: 09/18/2017 |
| ZONE TYPE SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/> | Sidetrack <input checked="" type="checkbox"/> | |

Well Name: Grande 4-65 20-19 Well Number: 3AH

Name of Operator: BURLINGTON RESOURCES OIL & GAS LP COGCC Operator Number: 26580

Address: PO BOX 4289

City: FARMINGTON State: NM Zip: 87499

Contact Name: Jennifer Dixon Phone: (701)300-2381 Fax: ()

Email: jennifer.a.dixon@cop.com

RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 19920030

WELL LOCATION INFORMATION

QtrQtr: NWSW Sec: 21 Twp: 4S Rng: 65W Meridian: 6

Latitude: 39.686317 Longitude: -104.676908

| | | |
|--------------------------------------|-----------------------|------------|
| Footage at Surface: <u>1557</u> Feet | FNL/FSL | FEL/FWL |
| <u>FSL</u> <u>431</u> Feet | <u>FSL</u> <u>431</u> | <u>FWL</u> |

Field Name: WILDCAT Field Number: 99999

Ground Elevation: 5619 County: ARAPAHOE

GPS Data:
Date of Measurement: 11/02/2016 PDOP Reading: 1.5 Instrument Operator's Name: Dallas Nielsen

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

| | | | | | |
|-----------------------------------------------|-----------------------|-----------------------|-----------------------------------------------|------------------------|------------------------|
| Footage at Top of Prod Zone: <u>2483</u> Feet | FNL/FSL | FEL/FWL | Bottom Hole: <u>2483</u> Feet | FNL/FSL | FEL/FWL |
| <u>FSL</u> <u>460</u> Feet | <u>FSL</u> <u>460</u> | <u>FEL</u> <u>460</u> | <u>FSL</u> <u>2450</u> | <u>FSL</u> <u>2450</u> | <u>FEL</u> <u>2450</u> |
| Sec: <u>20</u> Twp: <u>4S</u> Rng: <u>65W</u> | | | Sec: <u>19</u> Twp: <u>4S</u> Rng: <u>65W</u> | | |

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.)

All, Sec. 19, T4S, R65W

Total Acres in Described Lease: 640 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: 397 Feet
 Building Unit: 2120 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 440 Feet
 Above Ground Utility: 480 Feet
 Railroad: 5280 Feet
 Property Line: 350 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: 1581 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 | 535-686 | 1280 | SEC 19 & 20 ALL |

DRILLING PROGRAM

Proposed Total Measured Depth: 15786 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? 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: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Drilling cuttings will be taken by a certified transport company and disposed of at a certified facility.

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 | 24 | 16 | 39.7 | 0 | 100 | 50 | 100 | 0 |
| SURF | 13+1/2 | 9+5/8 | 36 | 0 | 2197 | 680 | 2197 | 0 |
| 1ST | 8+3/4 | 5+1/2 | 23 | 0 | 15786 | 1951 | 15786 | 1967 |

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 While geosteering on the Grande 4-65 20-19-3AH, we drilled out of our horizon and will be unable to land our production casing. We respectfully request verbal permission to complete a sidetrack that will enable us to land production casing at the permitted BHL.

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

Location ID: 450063

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: Jennifer Dixon

Title: Regulatory Coordinator Date: 9/18/2017 Email: jennifer.a.dixon@cop.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: 9/29/2017

Expiration Date: 09/28/2019

| |
|-------------------|
| API NUMBER |
| 05 005 07271 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.

| <u>COA Type</u> | <u>Description</u> |
|-----------------|--------------------|
| | |

Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u> | <u>Description</u> |
|-----------|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Drilling/Completion Operations | Open-hole Resistivity Log with Gamma Ray Log will be run from the kick-off point into the surface casing. A Cement Bond Log with Gamma-Ray will be run on production casing, or on intermediate casing if a production liner is run. The horizontal portion of the wellbore will be logged with a measured-while-drilling gamma-ray log. The Form 5, Completion Report, will list all logs run and have those logs attached. |

Total: 1 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> |
|--------------------|------------------------|
| 2473138 | CORRESPONDENCE |
| 401405988 | FORM 2 SUBMITTED |
| 401407625 | CORRESPONDENCE |
| 401411547 | DIRECTIONAL DATA |
| 401411550 | WELLBORE DIAGRAM |
| 401411552 | WELLBORE DIAGRAM |
| 401411556 | DEVIATED DRILLING PLAN |
| 401416627 | OFFSET WELL EVALUATION |

Total Attach: 8 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| Final Review | E&P Waste management program reviewed with OGLA. A third party reconditions drilling fluids (OBM) for reuse on other pads or wells. No pits are constructed. | 09/29/2017 |
| Permit | Attached Operator/COGCC email chain as Correspondence. | 09/26/2017 |
| Permit | Final review complete. | 09/25/2017 |
| Engineer | need casing clarification - casing, wellbore plan clarified | 09/22/2017 |
| Permit | Permitting review complete. | 09/22/2017 |
| Permit | Passed completeness. LGD and public comment periods waived by COGCC staff. Comment periods do not apply to this application for an unplanned sidetrack when drilling is in progress. | 09/22/2017 |
| Permit | Returned to draft: - Total measured depth is inconsistent between Drilling tab, casing tab, wellbore diagrams, imported directional data and deviated drilling plan. | 09/21/2017 |
| Permit | Returned to draft: - Total measured depth is inconsistent between Drilling tab, casing tab, wellbore diagrams, imported directional data and deviated drilling plan. | 09/19/2017 |
| Permit | Returned to draft: - change attachment description from "Plat" to "Well Location Plat"; if BHL is not changing, well location plat not required. - add Location ID# 450063. - attach missing wellbore diagram. - attach COGCC engineer's verbal approval correspondence. | 09/18/2017 |

Total: 9 comment(s)