

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:
09/15/2017

TYPE OF WELL OIL GAS COALBED OTHER _____ Refilling

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Well Name: Donn Well Number: 4N-20C-L

Name of Operator: SRC ENERGY INC COGCC Operator Number: 10311

Address: 1675 BROADWAY SUITE 2600

City: DENVER State: CO Zip: 80202

Contact Name: Erin Ekblad Phone: (720)616.4319 Fax: (720)616.4301

Email: eekblad@srcenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20090043

WELL LOCATION INFORMATION

QtrQtr: NENE Sec: 21 Twp: 6N Rng: 66W Meridian: 6

Latitude: 40.478961 Longitude: -104.774261

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

798 Feet FNL 251 Feet FEL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 4753 County: WELD

GPS Data:

Date of Measurement: 05/05/2017 PDOP Reading: 2.2 Instrument Operator's Name: Preston Knutsen

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

677 FNL 150 FEL 728 FNL 150 FWL

Sec: 21 Twp: 6N Rng: 66W Sec: 20 Twp: 6N 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: Yes

The right to construct the Oil and Gas Location is granted by: oil and gas lease

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.)

See attached Mineral Lease Map.

Total Acres in Described Lease: 160 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: 711 Feet
Building Unit: 920 Feet
High Occupancy Building Unit: 2979 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 238 Feet
Above Ground Utility: 271 Feet
Railroad: 5280 Feet
Property Line: 251 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: 08/10/2017

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: 55 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 593 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

6N-66W 19:NENE, 20: N2N2; 21: N2N2; 22: NWNW

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		401	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 17837 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: 153 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 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
CONDUCTOR	24	16	65	0	40	35	40	0
SURF	13+1/2	9+5/8	36	0	1750	531	1750	0
1ST	8+1/2	5+1/2	20	0	17837	2189	17837	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

The acreage was calculated using Title Opinions from our Attorneys. They take into account all official surveys that become record which may add or, in some cases, reduce a quarter/quarter from the standard 40.00 acres.

In Drilling Tab, distance proposed wellbore to another operator is 153 feet to Fritzler 11-21 using Anti-Collision Report. In Spacing Tab, distance proposed wellbore to offset same formation is 55 feet to Donn 4N-20B-L using Plan View Map Measurement.

Attached is a signed waiver from Noble for the Lindblad 20-21 (But, SRC acquired this well, so not necessary for this one to have waiver) and Leffler 1# 21-2 (which is still Nob;e's well which are both within 150 feet of our producing interval.

In Exceptions tab, please note 318.A.a. was waived in previous Form 2 under API 05.123.42671. SRC attached a new exception location request to the Form 2 with our new well names. Please refer to the memorandum submitted in approved well file. SUA already in the well file provides the 318A.a window waiver. No exception or waiver for 318A.c required.

Also, SRC Energy Inc. has not started construction of this pad at time of submission, and will not be starting construction until end of 4th quarter of 2017 under Approved Location ID 444643, which expires in January 2019. We are changing the originally approved Form 2, to have a new well name, SHL, TPZ and BHL along with, casing, formations, and this can be noted by attached exhibits.

This application is in a Comprehensive Drilling Plan No CDP #: _____

Location ID: 444643

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: Erin Ekblad

Title: Manager Regulatory Affair Date: 9/15/2017 Email: eekblad@srcenergy.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
05 123 42671 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

Best Management Practices

No	BMP/COA Type	Description
1	Planning	604.c.(2)J.i Blowout Prevention Equipment ("BOPE"): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.
2	Planning	604.c.(2)J.ii Backup stabbing valves be required on well servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.
3	Drilling/Completion Operations	RULE 604.c.I: Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.
4	Drilling/Completion Operations	604.c.(2)L. Closed chamber drill stem tests shall be allowed. All other drill stem tests shall require approval by the Director. None planned for this well.
5	Drilling/Completion Operations	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 to 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.
6	Drilling/Completion Operations	Operator will comply with COGCC policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg area dated May 29, 2012.
7	Drilling/Completion Operations	Anti-collision: Operator 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 shall be given to all offset operators prior to drilling.

Total: 7 comment(s)

Attachment Check List

Att Doc Num	Name
401368425	FORM 2 SUBMITTED
401377231	WELL LOCATION PLAT
401377234	MINERAL LEASE MAP
401389076	DIRECTIONAL DATA
401389079	OTHER
401389099	DEVIATED DRILLING PLAN
401401517	PROPOSED SPACING UNIT
401404684	EXCEPTION LOC REQUEST
401404687	STIMULATION SETBACK CONSENT
401423455	OffsetWellEvaluations Data
401423457	OFFSET WELL EVALUATION

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)



Public Comments

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

