

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:

TYPE OF WELL OIL GAS COALBED OTHER: _____ Refilling

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Well Name: Bernhardt Well Number: 5-09N-14B-L

Name of Operator: PDC ENERGY INC COGCC Operator Number: 69175

Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

Contact Name: Ally Ota Phone: (303)860-5800 Fax: ()

Email: alexandria.ota@pdce.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20160047

WELL LOCATION INFORMATION

QtrQtr: NWNW Sec: 18 Twp: 4N Rng: 66W Meridian: 6

Latitude: 40.317344 Longitude: -104.828434

Footage at Surface: 678 Feet FNL/FSL FNL 355 Feet FEL/FWL FWL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 4738 County: WELD

GPS Data: GPS Quality Value: 1.3 Type of GPS Quality Value: PDOP Date of Measurement: 11/10/2016

Instrument Operator's Name: Aaron Rivera

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

Footage at Top of Prod Zone: FNL/FSL 2083 FNL 150 FEL 2098 FNL 360 FEL/FWL FWL

Sec: 13 Twp: 4N Rng: 67W Sec: 14 Twp: 4N Rng: 67W

LOCAL GOVERNMENT INFORMATION

County: WELD Municipality: Milliken

Per § 34-60-106 (1)(f)(I)(A), the following questions pertain to the "local government with jurisdiction to approve the siting of the proposed oil and gas location."

The local government with jurisdiction is: Municipality

Does the local government with jurisdiction regulate the siting of Oil and Gas Locations, with respect to this location? If the local government does regulate the siting, but has waived its right to precede the COGCC in siting determination, indicate by selecting "YES" here and selecting "Waived" for the disposition below. Yes No

If yes, in checking this box, I hereby certify that an application has been filed with the local government with jurisdiction to approve the siting of the proposed oil and gas location.

The local government siting permit type is: USR

The local government siting permit was filed on: 04/24/2017

The disposition of the application filed with the local government is: Approved

Additional explanation of local process:

USR (Resolution No. PC17-02) approved on 10/4/2017

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: 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.)

T4N-R66W Section 18: W2NW, among other lands

Total Acres in Described Lease: 811 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: 611 Feet

Building Unit: 1163 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 340 Feet

Above Ground Utility: 318 Feet

Railroad: 493 Feet

Property Line: 355 Feet

School Facility: 2994 Feet

School Property Line: 2797 Feet

Child Care Center: 5280 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, Designated Outside Activity Area, School Facility, and Child Care Center – 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: 10/22/2018

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: 88 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

Proposed Spacing Unit: T4N-R67W Section 13: S2N2; Section 14: S2N2; T4N-R66W Section 18: SWNW, PSU Attached

If this Form 2 is associated with a Drilling and Spacing Unit application, provide docket number: _____

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 | | 360 | GWA |

DRILLING PROGRAM

Proposed Total Measured Depth: 17617 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: 51 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: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

The surface hole will be drilled with water based mud and the production hole will be drilled with oil based mud. Water based drilling fluid and cuttings will be land applied at PDC spread fields with COGCC Facility ID 449950 or 461014.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 461014 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 | 1600 | 920 | 1600 | 0 |
| 1ST | 8+1/2 | 5+1/2 | 20 | 0 | 17617 | 2035 | 17617 | 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 PDC Energy is the successor in interest to SRC Energy, Inc. The subject location was one of several locations that PDC Energy inherited from SRC Energy, Inc, effective 1/14/2020. Some attachments for this location may still reference SRC Energy, Inc.

This well has a bottom-hole location beyond the unit boundary setback. The bottom of the completed interval will be within the unit boundary setback at 2097' FNL, 460' FWL, Section 14. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

The distance to the completed portion of the nearest well on the "Spacing and Formations" tab was measured to the Bernhardt O 13-7 (05-123-20183). The distance to the nearest wellbore belonging to another operator on the "Drilling & Waste Plans" tab was measured to the Bernhardt O 13-18 (05-123-30046). Both distances were measured via the anti-collision report.

The subject well will have a treated interval less than 150' from the treated interval of the Bernhardt O 13-7 (05-123-20183) and Bernhardt 13-12 (05-123-17357) owned by Noble. Please see the Rule 317.s Stimulation Setback Consent attached.

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

Location ID: 466367

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: Ally Ota

Title: Regulatory Analyst Date: _____ Email: alexandria.ota@pdce.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules, applicable orders, and SB 19-181 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 |
|----------|-------------|
| | |

Best Management Practices

| No | BMP/COA Type | Description |
|----|--------------------------------|--|
| 1 | Drilling/Completion Operations | 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. |
| 2 | 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. The Colorado Oil and Gas Conservation Commission (COGCC) has established this Policy Regarding Bradenhead Monitoring During Hydraulic Fracturing Treatments ("Treatment") in the Greater Wattenberg Area ("GWA") pursuant to COGCC 207.a. ("Policy"). This Policy applies to oil and gas operations in the GWA as defined by the COGCC Rules of Practice and Procedure. |
| 3 | Drilling/Completion Operations | ALTERNATIVE PROGRAM: 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 state "Alternative Logging Program - No open-hole logs were run" and shall clearly identify the type of log and the well (by API #) in which open-hole logs were run. |

Total: 3 comment(s)

Attachment Check List

| Att Doc Num | Name |
|-------------|-----------------------------|
| 402378303 | DEVIATED DRILLING PLAN |
| 402378305 | DIRECTIONAL DATA |
| 402378309 | WELL LOCATION PLAT |
| 402378311 | PROPOSED SPACING UNIT |
| 402378313 | STIMULATION SETBACK CONSENT |
| 402378314 | SURFACE AGRMT/SURETY |
| 402378315 | EXCEPTION LOC REQUEST |
| 402378972 | OffsetWellEvaluations 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.

