City of Fort Lupton

Oil & Gas Permit Application

Proposed Drilling & Production of Oil & Gas Wells

Pad Name: LG Everist 2N66W30

Township 2 North, Range 66 West, 6th P.M.

Section 30

Weld County, Colorado

Applicant:

Petro Operating Company, LLC

9033 E. Easter Place, Suite 112,

Centennial, Colorado 80112

Petro Operating Company, LLC

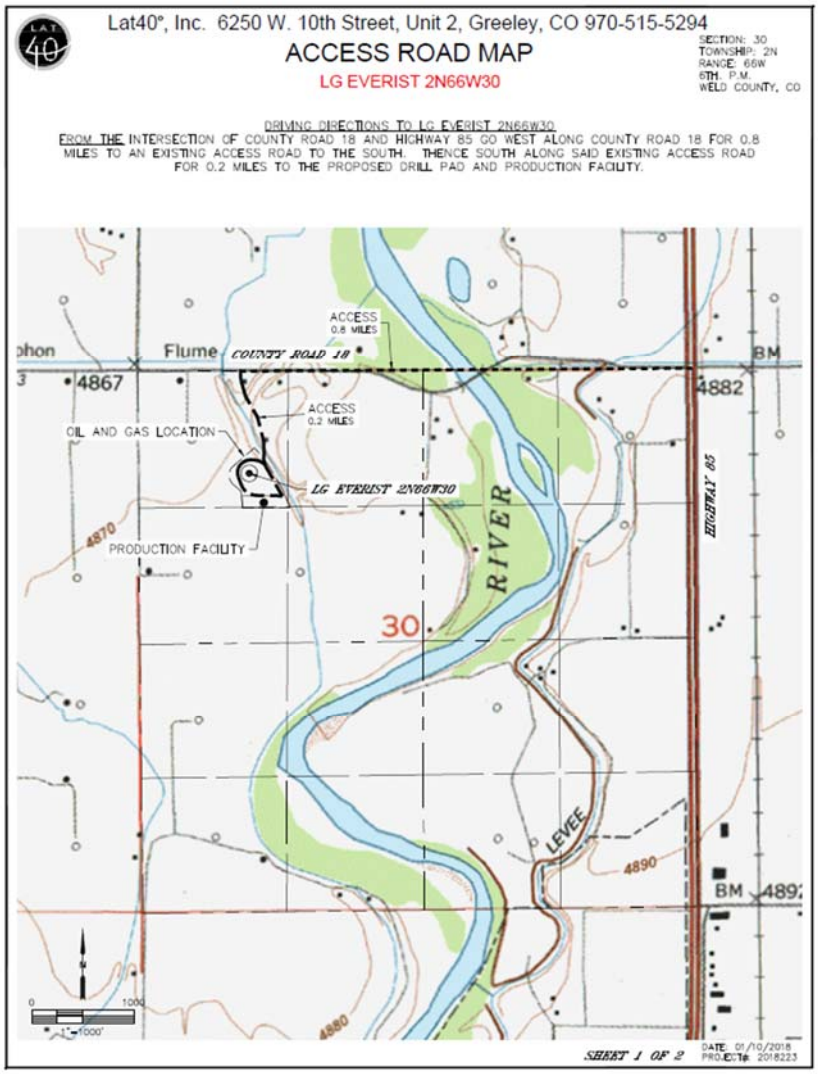
October 3, 2019

1. Narrative

1.1 DESCRIPTION OF INTENDED USE

Petro Operating Co., LLC (Petro), intends to horizontally drill twelve (12) oil and gas wells from one pad location. The site is located in the Fort Lupton Gravel Pit currently being mined by the LG Everist Company. The proposed pad will be named *LG Everist 2N66W30* and the wells will be known as the *LG Everist 1, LG Everist 2, LG Everist 3, LG Everist 4, LG Everist 5, LG Everist 6, LG Everist 7, LG Everist 8, LG Everist 9, LG Everist 10, LG Everist 11, LG Everist 12.* The purpose of the wells is to produce hydrocarbons from underlying Codell and Niobrara formations known to have commercial potential from the production of such substances. The proposed wells and production facility are located in Township 2 North, Range 66 West 6th P.M. Section 30.

Figure 1: Vicinity Map



1.2 SITE IMPROVEMENTS

Petro shall construct one operations area of approximately 4 acres for the drilling and completions pad. The location will be reclaimed to approximately 2 acres for the production facility and well heads.

A Master Site Plan is included with this Application for further use and review (See –Master Site Plan 2.0).

After the wells have been drilled to their total depths and completed as wells capable of production, Petro will reclaim the drill site. The reclamation will be in accordance with the applicable rules and regulations of the Colorado Oil and Gas Conservation Commission (COGCC). If any of the wells are not capable of production, that specific well (or wells) will be plugged and abandoned as a dry hole and the same reclamation of the site will apply. Flowlines will be laid to connect these wells to the production facilities. Pipelines will transport natural gas and oil from the facilities to designated processing facilities throughout the area.

1.3 CHARACTERISTICS OF INSTALLATION

These wells will have a wellhead assembly installed on site as well as production and gathering facilities. Pumping units or other forms of artificial lift may be installed should flowrates and pressures necessitate their use.

1.4 CHARACTERISTICS OF DRILLING AND COMPLETION OPERATIONS

Petro's management will utilize authorized employees and professional contractors to conduct the drilling and completion operations on site. The actual drilling phase is approximately 7 to 12 days per well, under normal circumstances. Drilling will be continuous, 24 hours a day, for this period. Completion operations will be performed on each well subsequent to the drilling phase. The production facilities will be installed and the wells put on-line. Petro anticipates mobilization and pad construction to begin in second quarter 2020 contingent upon approval from the City of Fort Lupton. Completion of all construction activities including site preparation, drilling, completion, facilities and pipeline installation and final re-grading will occur within six months of the completions of hydraulic fracturing, construction of production facility and the initiation of oil and gas production.

1.5 CHARACTERISTICS OF MAINTENANCE

A lease operator under the supervision of the Petro Operations Manager will inspect the wells on a regular basis and as required by any special circumstances. In addition, all wells and production facilities are remotely monitored 24/7 from Petro's Automated Control System.

1.6 DISPOSAL METHODS STATEMENT

- Drilling mud will be taken to a commercial disposal.
- A commercial size trash bin for removing debris will be located on site. This bin will be for use by all parties affiliated with the operation.
- Human waste will be properly handled by portable sanitary facilities located on site. PETRO will contract a sanitary service company to provide and maintain the self-contained sanitary facilities throughout the oil and gas operation.
- Produced water will be disposed of off-site as approved by the COGCC.

1.7 SITE SPECIFIC PLANS

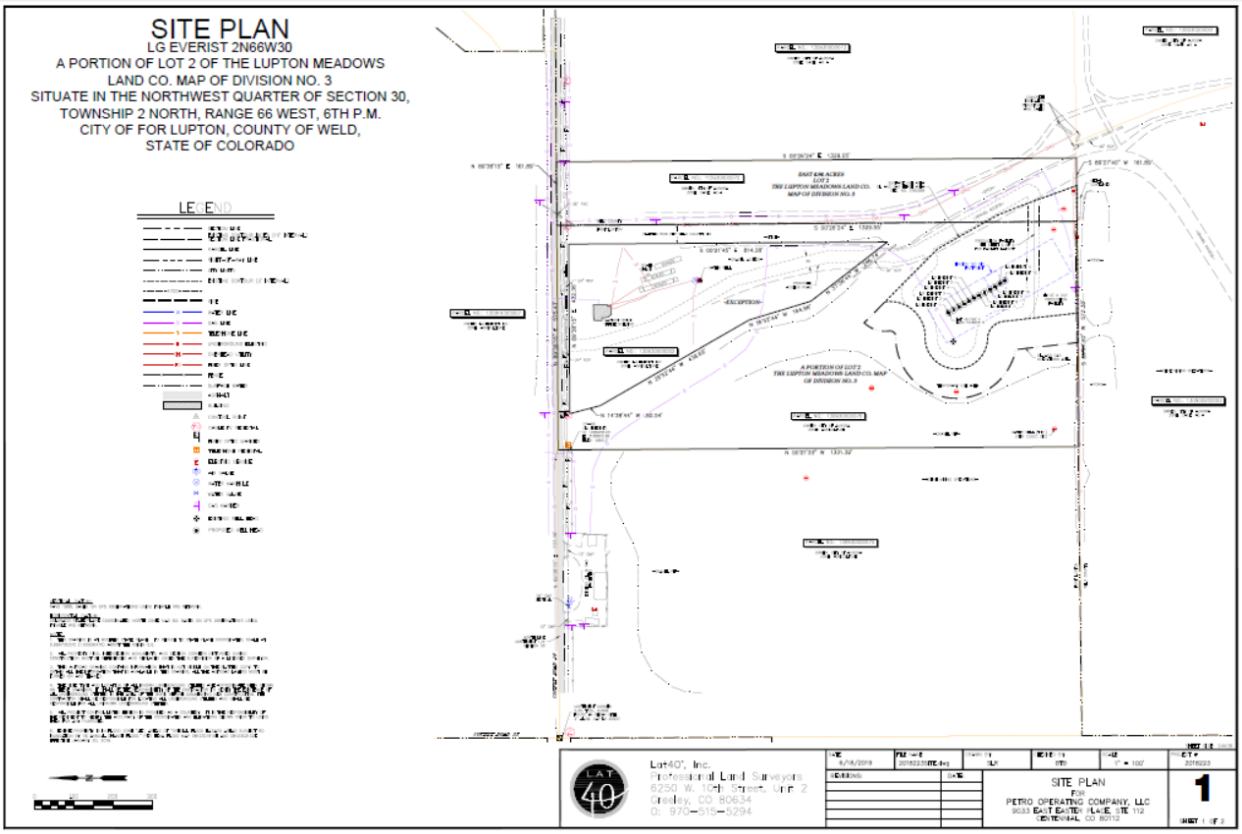
- Noise: Petro will meet all applicable noise requirements set forth by COGCC regulations during operations. Exhaust from all engines, motors and related equipment, shall be vented in a direction away from occupied buildings where practical. PETRO, on a case by case basis, installs sound walls and visual buffer during drilling and completion operations.
- Lighting: Petro will meet all applicable visual impact requirements set forth by the COGCC. Where practical lights will be shielded and turned inward toward the rig to minimize disturbance to existing structures or public roadways.
- Vibration: Petro will meet all applicable vibration requirements set forth by COGCC regulations during operations. There is not any unusual vibration anticipated from the proposed operation.
- Air and Water Quality: Petro will meet all applicable air and water quality requirements set forth by COGCC regulations during operations and will comply with all relevant Colorado Department of Public Health and Environment regulations including filing an Air Pollution Emissions Notice (A.P.E.N.), along with any other required data. If production volumes exceed required thresholds, Petro will install emissions control devices as warranted to obtain required reductions of ozone precursors. The COGCC sets forth specific requirements for casing depth in order to protect ground water sources. Produced water will be hauled away and properly disposed of in accordance with COGCC regulations.
- Odor: Petro will meet all applicable odor requirements set forth by COGCC regulations during operations. Petro does not anticipate any noxious, prolonged or unusually high amounts of odor expected from the proposed operation.
- Visual Impacts: Petro will meet all applicable visual impact requirements set forth by COGCC regulations during operations. The permanent facilities will be painted in accordance with COGCC regulations and in a manner to harmoniously blend with the surrounding environment. The site will be reclaimed to as near the original grades as practicable.
- Environmental Impacts: A Petro representative will perform a site inspection to clear the location for environmental constraints (including wildlife and wetlands) prior to site construction activities. Petro will comply with all applicable wildlife and wetland regulatory requirements. Impacts to regulated wildlife species and jurisdictional wetlands are not expected.
- Waste: Please refer to section above, 1.6 – Disposal Methods Statement.
- Public Safety: The completed well sites will be surrounded with a chain link fence and gate with adequate lock. Petro personnel will monitor the well sites regularly. Authorized representatives and/or Petro personnel shall be on-site 24/7 during drilling and completion operations. All new

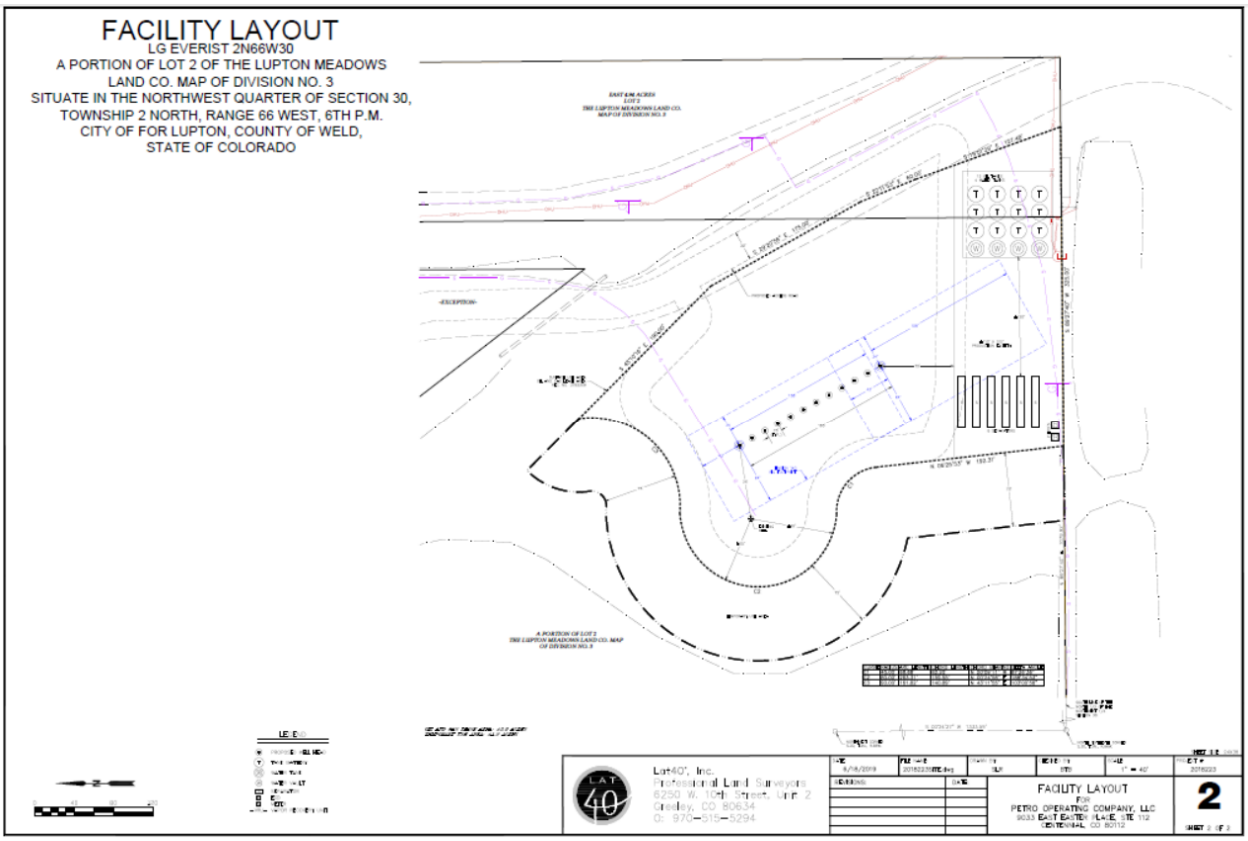
well sites are also manned 24/7 during the initial flowback and production phases. After this, all wells will be remotely monitored by Petro's production personnel and Operations Manager. A copy of an Emergency Response Plan is included with this application (See Emergency Response and Fire Protection Plan in Section 9.0).

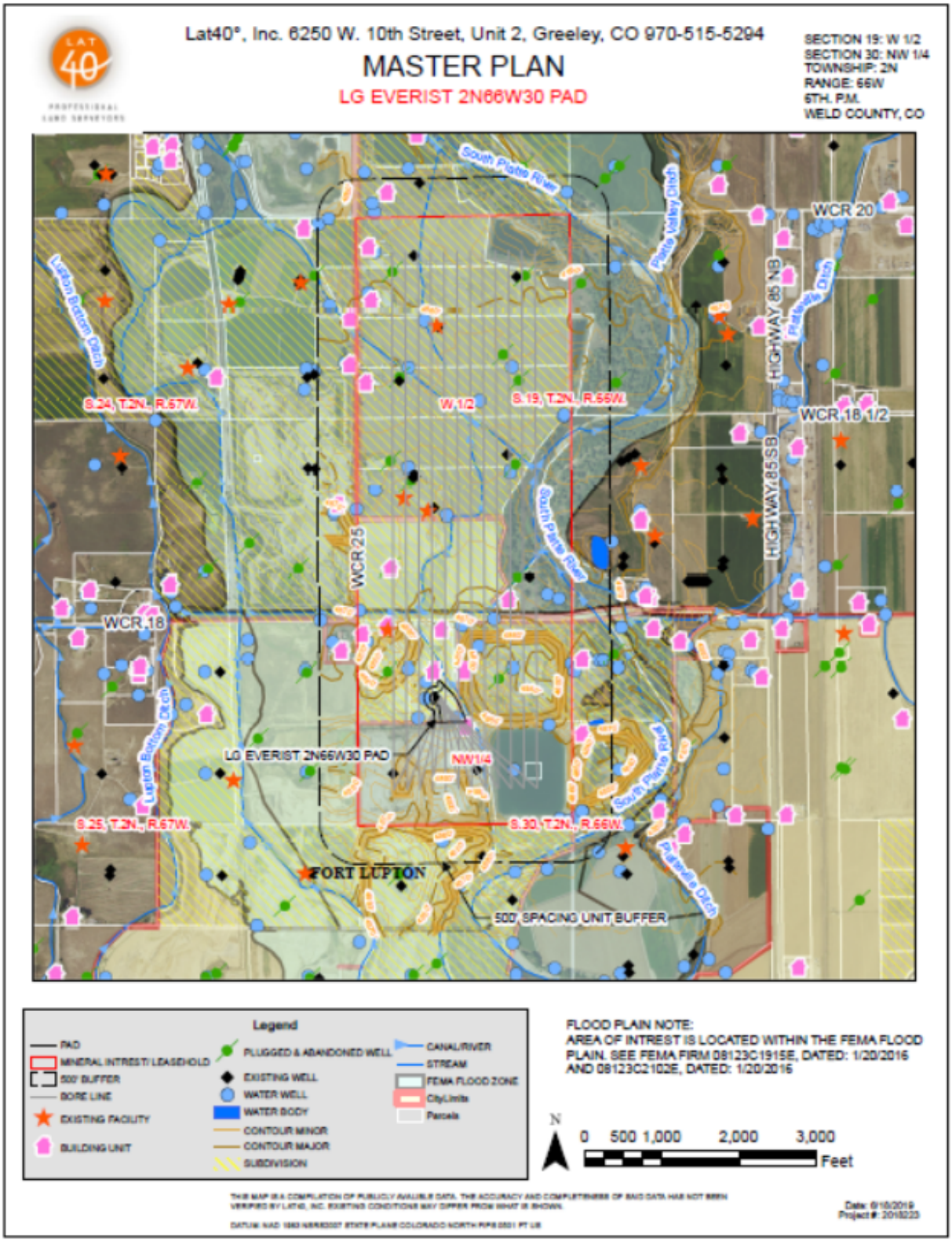
- Access Road: Petro will utilize a lease access road from Weld County Road 18 for all traffic associated with construction and production of the wells proposed in this application. The road will be properly graded for adequate drainage and shall be surfaced and maintained to prevent dust and mud accumulation and to provide sufficient access for fire protection, Culverts and bridges shall be utilized where necessary.
- Pipelines: Oil and natural gas pipelines will be installed to remove produced oil and natural gas from the pad once the wells are completed and brought online.
- Required Permits - the following permits are required for this application:
    - Oil and Gas - Form 2 Drilling and 2A Surface Use Permits (COGCC)
    - Oil and Gas Development Permit (Fort Lupton)
    - Building Permit (Fort Lupton)
    - Rig Movement Permit (Fort Lupton)
    - Oversize/Overweight Vehicles Permit (Fort Lupton)

2.0 MASTER SITE PLAN & PRODUCTION FACILITY LAYOUT

Note: Due to formatting constraints of this application all maps will be provided electronically as an attachment to this application.




FACILITY LAYOUT
LG EVERIST 2N66W30
A PORTION OF LOT 2 OF THE LUPTON MEADOWS
LAND CO. MAP OF DIVISION NO. 3
SITUATE IN THE NORTHWEST QUARTER OF SECTION 30,
TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M.
CITY OF FOR LUPTON, COUNTY OF WELD,
STATE OF COLORADO
Lat40°, Inc.
Professional Land Surveyors
FACILITY LAYOUT
2


Lat40°, Inc. 6250 W. 10th Street, Unit 2, Greeley, CO 970-515-5294
MASTER PLAN
LG EVERIST 2N66W30 PAD
SECTION 19: W 1/2
SECTION 30: NW 1/4
TOWNSHIP: 2N
RANGE: 66W
6TH. P.M.
WELD COUNTY, CO
South Platte River
Platte Valley Ditch
WCR 20
Lupton Bottom Ditch
Prattsville Ditch
HIGHWAY 85 NB
S.24, T.2N., R.67W.
W.1/2
S.19, T.2N., R.66W.
WCR 18 1/2
HIGHWAY 85 SB
South Platte River
WCR 25
WCR 18
Lupton Bottom Ditch
LG EVERIST 2N66W30 PAD
NW1/4
South Platte River
S.25, T.2N., R.67W.
S.30, T.2N., R.66W.
FORT LUPTON
Prattsville Ditch
500' SPACING UNIT BUFFER
Legend
PAD
MINERAL INTREST/ LEASEHOLD
500' BUFFER
BORE LINE
EXISTING FACILITY
BUILDING UNIT
PLUGGED & ABANDONED WELL
EXISTING WELL
WATER WELL
WATER BODY
CONTOUR MINOR
CONTOUR MAJOR
SUBDIVISION
CANAL/RIVER
STREAM
FEMA FLOOD ZONE
City Limits
Parcels
FLOOD PLAIN NOTE:
AREA OF INTREST IS LOCATED WITHIN THE FEMA FLOOD PLAIN. SEE FEMA FIRM 08123C1915E, DATED: 1/20/2016 AND 08123C2102E, DATED: 1/20/2016
N
0 500 1,000 2,000 3,000
Feet
THIS MAP IS A COMPILATION OF PUBLICLY AVAILABLE DATA. THE ACCURACY AND COMPLETENESS OF SAID DATA HAS NOT BEEN VERIFIED BY LAT40, INC. EXISTING CONDITIONS MAY DIFFER FROM WHAT IS SHOWN.
Date: 6/10/2019
Project #: 2018223

3.0 EVIDENCE OF LEASEHOLD (Confidentiality Requested on all of Section 3)

3.1 LEASEHOLD DESCRIPTION

S/2 of the SW/4 Section 19 T2N R66W Weld County Colorado

3.2 OIL, GAS & MINERAL LEASES

DJ Partners Leasehold
S1/2SW1/4 of Section 19, T2N-R66W
Weld County, Colorado

One hundred percent interest in and to the following oil and gas leases which comprise a 50% interest in the S1/2SW1/4 of Sec. 19 from the surface to the top of the "J" Sand formation being 41.91 net leasehold acres.

Lessor:	North Denver Bank
Lessee:	Buddy Baker
Date:	August 4, 1970
Recording:	631/1553404
Description:	Township 2 North, Range 66 West, 6th P.M. Section 19: Lot 7, according to the map division No. 3 of the Lupton Meadows Land Company

Lessor:	Lee T. Murata
Lessee:	Martin J. Freedman
Date:	May 1, 1970
Recording:	631/1548046
Description:	Township 2 North, Range 66 West, 6th P.M. Section 19: S/2SW/4

Lessor:	1415 Corporation
Lessee:	Buddy Baker
Date:	August 4, 1970
Recording:	631/1553403
Description:	Township 2 North, Range 66 West, 6th P.M. Section 19: Lot 8, according to the map division No. 3 of the Lupton Meadows Land Company

Note: Lots 7 and 8, according to the map division No. 3 of the Lupton Meadows Land Company comprises all of the S1/2SW1/4 of Section 19, T2N-R66W, Weld County, Colorado and contains 83.82 gross acres.

4. OPERATOR / SURFACE OWNER INFORMATION & ADJACENT PROPERTY OWNERS

4.1 OPERATOR IDENTIFICATION

Petro Operating Company, LLC
9033 E. Easter Place, Suite 112,
Centennial, Colorado 80112

4.2 MINERAL OWNERS (Numerous) (Confidentiality Requested)

Mineral Owner: DJ Homestead, LLC, a Delaware limited liability company, a Petro affiliate.

Lease Holder: Petro Operating Company/DJ Homestead LLC.

4.3 SURFACE OWNERS NAMES & AGREEMENT(Confidentiality Requested)

City of Aurora
15151 E Alameda Parkway, Suite 3600
Aurora CO, 80012

The original Surface Use Agreement between City of Aurora, LG Everist and TOP Operating, the previous well operator and lease holder, has been assigned to PETRO. A copy of the assignment follows.

ASSIGNMENT OF SURFACE USE AGREEMENT

THIS ASSIGNMENT OF SURFACE USE AGREEMENT is made and entered into as of this ___ day of March 2019 and is by and between TOP Operating Co., a Colorado corporation (referred to as "TOP") and Petro Operating Company, LLC, a Colorado limited liability company (referred to as "Petro Operating").

RECITALS

WHEREAS, TOP, as Operator of various existing oil and gas wells, entered into a Surface Use Agreement with L.G. Everist Inc. and the City of Aurora dated July 19, 2011 and recorded on July 19, 2011 at reception number 3782269 and a First Amendment to Surface Use Agreement with L.G. Everist Inc. and the City of Aurora dated July 7, 2015 and recorded on July 26, 2011 at reception number 4129145. The Surface Use Agreement and First Amendment of Surface Use Agreement give TOP, and its successors and assigns, the right to conduct oil and gas operations in connection with existing oil and gas wells and future oil and gas wells, install pipelines, use access routes, and install and maintain production facilities on the surface of certain lands located in Weld County, Colorado and described in said Surface Use Agreement and First Amendment (referred to as the "Lands);

WHEREAS, subject to the conditions described below, along with the related Oil and Gas Leases, TOP wishes to assign to Petro Operating the rights as Operator under the above Surface Use Agreement, as amended, as to future horizontal oil and gas wells on said lands and leases and Petro Operating agrees to assume all obligations under the Surface Use Agreement, as amended, related to such wells.

ASSIGNMENT AND AGREEMENT

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are acknowledged herein, the parties agree as follows:

(1) The parties adopt and incorporate by reference herein the Recitals above.

(2) TOP hereby assigns to Petro Operating TOP's rights as Operator in and under the above described Surface Use Agreement, as amended, as to future horizontal oil and gas wells, including the right to drill, complete, produce, conduct operations on, access, and install and maintain pipelines and production facilities as to such wells.

(3) Petro Operating agrees to assume all obligations under the Surface Use Agreement, as amended, related to such future horizontal wells.

(4) TOP expressly reserves and retains its rights and obligations as Operator under the Surface Use Agreement, as amended, in connection with the existing oil and gas wells, including the right to drill, complete, produce, conduct operations on (such as

plugging and abandoning), access, and install and maintain pipelines and production facilities as to such wells.

(5) Concurrently with execution of the Assignment, TOP and Petro Operating are entering into an Acquisition and Development Agreement and TOP is executing an Assignment of Oil and Gas Leases to Petro Operating. Should Petro Operating fail for any reason to satisfy the requirement in the Acquisition and Development Agreement of drilling a horizontal test well by January 1, 2020, unless that date is mutually extended by the parties, Petro Operating shall immediately assign back to TOP all the rights under the Surface Use Agreement, as amended, that are assigned to Petro Operating herein.

Petro Operating Company

By: _____

Roger A. Parker - Manager

Print Name and Title

TOP Operating Company

BY: _____

Rodney K Herrick, President

Print Name and Title

ACKNOWLEDGEMENTS

STATE OF COLORADO §
§
COUNTY OF Jefferson §

The foregoing instrument was acknowledged before me this 26 day of June, 2019, by Rodney K Herring as Owner of TOP Operating Co., on behalf of such company.

Witness my hand and official seal.

My Commission expires: 11-14-21

Notary Public

ADITA TRINIDAD GARCIA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174047021
MY COMMISSION EXPIRES 11/14/2021

STATE OF COLORADO §
§
CITY AND COUNTY OF DENVER §

The foregoing instrument was acknowledged before me this 17 day of June, 2019, by Roger Parker as Manager of Petro Operating Company on behalf of such company.

Witness my hand and official seal.

My Commission expires: 6/30/20

Notary Public

JULIA MELANAPHY
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20184023493
MY COMMISSION EXPIRES JUNE 30, 2020

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4.4 ADJACENT PROPERTY OWNERS

North
Owner: LG EVERIST INC
Account: R7463198 **Parcel:** 130919303007
Address: 8038 COUNTY ROAD 25 FORT LUPTON
Subdivision: LUPTON MEADOWS LAND CO DIV #3 BNONE L7
Section: 19 **Township:** 2N **Range:** 66W

East
Owner: AURORA CITY OF
Account: R0025787 **Parcel:** 130930000070
Address: 12236 COUNTY ROAD 18 WELD
Subdivision:
Section: 30 **Township:** 2N **Range:** 66W

South
Owner: AURORA CITY OF
Account: R6783789 **Parcel:** 130930200002
Address: 12546 COUNTY ROAD 18 WELD
Subdivision:
Section: 30 **Township:** 2N **Range:** 66W

West
Owner: AURORA CITY OF
Account: R7901798 **Parcel:** 130930000075
Address: 12100 COUNTY ROAD 18 FORT LUPTON
Subdivision: LUPTON MEADOWS LAND CO DIV #3 BNONE L1
Section: 30 **Township:** 2N **Range:** 66W

5. BOND & INSURANCE REQUIREMENTS

5.1 BOND INFORMATION

COGCC Operator's Bond

Bond Number: Surety ID: 2015-0075
PETRO OPERATING COMPANY LLC - #10583
9033 E EASTER PLACE SUITE 112
CENTENNIAL , CO 80112-2105 USA

SURETY DETAIL INFORMATION

Surety ID:	2015-0075
Status:	ACTIVE
Operator Number:	10583
Bond Amount:	$60,000.00
Instrument:	CASH
Instrument Number:	252509538
Coverage:	BLANKET
Bond Type:	PLUGGING
Limitation:	99
Deposit Number:	2016-12
PDPA Number:	
Received Date:	8/18/2015
Approved Date:	8/19/2015
Maturity Expire Date:	
FA Provider Number:	10583
FA Provider Name:	PETRO OPERATING COMPANY LLC
Deposit Date:	8/24/2015
Release Request Date:	N/A
Release Date:	N/A

5.2 INSURANCE

ACORD

CERTIFICATE OF LIABILITY INSURANCE

1/27/2020

DATE (MM/DD/YYYY): 7/22/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Lockton Companies
8110 E. Union Avenue
Suite 700
Denver CO 80237
(303) 414-6000

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : St. Paul Fire and Marine Insurance Company	24767
INSURER B : Travelers Property Casualty Insurance Co	36161
INSURER C : Arch Insurance Company	11150
INSURER D : Endurance American Specialty Insurance Co.	41718
INSURER E : Ironshore Specialty Insurance Co	25445
INSURER F :	

INSURED
1424643
DJ Wattenberg, LLC
Petro Operating Company, LLC
9033 E. Easter Place, #112
Centennial, CO 80112

COVERAGES CERTIFICATE NUMBER: 16207072 REVISION NUMBER: XXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	N	N	ZPP81M710T2	1/27/2019	1/27/2020	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 2,000,000
							PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
A	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY X HIRED AUTOS ONLY SCHEDULED AUTOS X NON-OWNED AUTOS ONLY	N	N	ZPP81M710T2	1/27/2019	1/27/2020	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
							BODILY INJURY (Per person)	$ XXXXXXX
							BODILY INJURY (Per accident)	$ XXXXXXX
							PROPERTY DAMAGE (Per accident)	$ XXXXXXX
								$ XXXXXXX
A C D	X UMBRELLA LIAB X OCCUR X EXCESS LIAB CLAIMS-MADE DED RETENTION $	N	N	ZPP81M710T2 UXP1019204-01 EXC30000568601	1/27/2019 1/27/2019 1/27/2019	1/27/2020 1/27/2020 1/27/2020	EACH OCCURRENCE	$ 20,000,000
							AGGREGATE	$ 20,000,000
								$ XXXXXXX
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		NOT APPLICABLE			PER STATUTE OTH-ER	
							E.L. EACH ACCIDENT	$ XXXXXXX
							E.L. DISEASE - EA EMPLOYEE	$ XXXXXXX
							E.L. DISEASE - POLICY LIMIT	$ XXXXXXX
B E	CGW Pollution	N	N	318088735 003724800	1/27/2019 7/9/2018	1/27/2020 1/27/2020	$25,000,000 per Occurrence $2,000,000 Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

16207072
Town of Fort Lupton
130 S McKinley Avenue
Fort Lupton CO 80621

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD

6. OPERATING PLAN

6.1 DRILLING PHASE

The drilling operations are expected to take three months under normal circumstances.
Initially the subject land is surveyed and a well location is staked in accordance with Colorado Oil and Gas Conservation Commission (COGCC) regulations. The drilling pad is designed to prevent run off so that any spills would be contained on site. The pad is lined with a heavy-mill plastic liner to help prevent spilled fluids from migrating into the subgrade. After the location has been prepared, a drilling rig moves in to drill the surface intervals of the wells and cement the surface pipe to protect ground water formations. This process will take approximately 1 day per well under normal circumstances, subsequently on a 12 well pad it will take 12 days to drill and cement the surface casing. Depending on the size/type of rig utilized to drill the surface interval, production hole drilling operations will either begin immediately with the same rig or a different rig will be moved onto location to drill the production interval. Drilling the production interval of the well will take 5 to 6 days per well, under normal circumstances. The actual drilling proceeds 24/7 at a constant rate below the surface casing unless mechanical problems are encountered. After reaching total depth, production casing is run in the hole and cemented. The production casing, constructed of heavy-wall steel pipe, is designed to specific criteria to provide an integral conduit for transporting hydrocarbons to the surface. The casing strength is further enhanced by the cementing process. Cement is placed in the space between the casing and the wall of the hole. The cement anchors the casing, provides increased burst resistance, and contains the fracturing and produced fluids. The cement is also designed to special criteria. The cement is then allowed to cure and concurrently the rig is moved off location. At this point the drilling phase is complete.

6.2 DRAINAGE AND EROSION CONTROL PLAN

Changes in the current drainage patterns are not anticipated. The well site will be monitored during the drilling and completion phases for any problems with drainage or erosion. Necessary measures will be taken to correct any problems. Once the drilling and completion phases are complete, the drill site will be restored as near as practical, to its original grade and vegetation planted as required by regulations and surface use agreements. PETRO will continue to monitor the site until all applicable regulatory requirements for revegetation have been met.

PETRO uses a closed loop or “pitless” system for drilling and fluid management and does not construct a reserve or slush pit. The drilling company personnel actively manage the area around the rig equipment to prevent and clean up spills. Any spills are pumped into containment and removed from the site to an approved disposal facility.

6.3 WATER SOURCES FOR DRILLING ACTIVITIES

Water for use in drilling operations will be purchased from a water supplier in the immediate area of the drill site. The purchased water will be approved for commercial and industrial use and will be subject to a mutually acceptable agreement between Petro and the water supplier. Each well will use about 20,000 gallons of water to drill, or 240,000 gallons to drill all 12 wells. This is less than 40 truckloads of water, spread out over approximately 80 days. Drilling water is normally hauled to the wellsite in tanker trucks.

6.4 COMPLETION AND FLOWBACK PHASE

After the drilling rig has moved off location, completions operations will begin. Completion operations include all operations performed after drilling the well and prior to putting the well on production, including well preparation, fracture stimulation, and preparing the well for production to sales. The completion process is a 24 hour/7 day operation and crews are rotated every 12 hours to allow continuous operations. Construction of the production facility can occur concurrent with the drilling and completion operations.

The well preparation phase of completions operations is performed to prepare for the fracture stimulation operation. The necessary wellhead equipment is installed to contain frac pressures and permit safe operations. Logging is performed to confirm the cement quality behind the well casing meets regulatory standards. The production casing is pressure tested to confirm it can withstand the high pressures associated with a fracture stimulation. The casing is then perforated at the distal end of the wellbore to prepare the well for the initial fracture stimulation. A crew of 1 to 6 people is required to perform the above operations. The well preparation operations take approximately 3 to 4 days per well, or approximately two weeks as multiple wells can be prepped at tone time.

A temporary freshwater supply pipeline will be installed to the site from and approved water source to provide water for the hydraulic fracturing operations. Each well could use approximately 12.5MM gallons of water, or 150MM gallons for the pad. All frac water will be delivered via pipeline and not trucked to the site.

The hydraulic fracture stimulation operation is then conducted to enable hydrocarbons to flow from the targeted geologic formation into the wellbore and up the production casing to the wellhead. Fracture stimulation consists of pumping a water, sand and chemical mixture into the wellbore at a high pressure and flow rate. The water/sand mixture exits the wellbore through perforations or holes made in the well casing. Each well is stimulated in stages, with temporary plugs set between stages, to allow the entire horizontal portion of the wellbore to be stimulated. There will be approximately 50 frac stages pumped per well. At the rate of ten stages per day it takes approximately 5 days to frac each well, or two months to frac all twelve wells on the pad. During stimulation, a crew of 35 to 45 people are required.

At the conclusion of the fracture stimulation operation, the well is prepared for long-term production. A coiled tubing unit is utilized to clean out the wellbore and mill the temporary plugs set during the stimulation phase. Production tubing is installed inside the production casing to provide a long-term flow path to the wellhead at surface. The post-fracture cleanup and drill-out phase lasts approximately two weeks employing a crew of 15 to 20 people.

After production tubing is installed the flowback phase begins. During this phase the water pumped during the hydraulic fracture stimulations is allowed to flow to surface under controlled conditions employing high pressure chokes and manifolds. The water goes through a sand separator to recover any frac sand in the fluid, then into temporary storage tanks prior to being trucked to an approved disposal facility. Once hydrocarbons appear, the flow stream is directed to separators. These units separate the oil, natural gas and water. Oil and natural gas are directed into pipelines and exit the facility. Water is stored in sealed tanks prior to being trucked off location to approved disposal sites. The flowback phase lasts approximately 10 days per well or three weeks per pad as multiple wells are flowed back at the same time. Flowback requires a crew of 5-10 people and continues 24/7 until the flow stream is cleaned up and all wells are going through the production facility.

6.5 PRODUCTION PHASE

Once hydrocarbons in the flow stream increase to commercial rates, the well stream is directed to the production facility which will already have been constructed. Flowback and production phases will overlap until all wells are going through the production facility and flowback separation equipment is released. In some cases wells may flow in series through both a flowback separator and a production separator.

The production facility on the LG Everist pad is expected to consist of six production separators, several heater treaters, a crude oil surge drum, vapor recovery units and emissions control combustors. Two water storage tanks and several oil storage tanks will be installed. The facility and pipeline designs are being finalized. Construction layouts drawings in this application will be updated when final versions are available. As-built construction diagrams will be supplied as well.

An automation system will be installed to measure, record and transmit pressure and rate data. This data is available via displays and readouts on-site, plus continuous transmission off-site via a cloud-based information processing system. Key data monitored are tank levels, process flowrates and temperatures, and sales pipeline conditions. Preset alarm levels trigger remote callout and automatic shut in if certain conditions are met.

Other equipment will be installed at the production facility by third-party midstream gathering and processing companies. This equipment will allow metering of oil and natural gas into their respective pipelines prior to being transported off site. Oil will enter the oil pipeline through a LACT (Lease Automatic Custody Transfer) unit that meters and samples the flow. Natural gas is run through a flowmeter to measure and sample the stream, prior to entering the gas sales pipeline. Both pipelines will be constructed prior to beginning the production phase.

All tanks and separation equipment will have metal secondary containment berms placed around them. Berms around the storage tanks will also have an impermeable liner installed to contain any spills without contaminating the subsurface. The berms and liners will be sized to contain the volume of the largest tank within the berm, plus adequate freeboard to handle a 25 year precipitation event. The berms will be inspected at regular intervals and maintained in good condition. No potential ignition sources are allowed inside the berms.

Production phase lease operation personnel will be onsite 24//7 for the first few months after the wells are placed on production. All equipment is monitored regularly to prevent leaks or upsets. After the first few months the site will no longer be manned 24/7 but continuous pressure and rate monitoring is conducted through the automation system. Alarms are sent automatically to production personnel if setpoints are exceeded. High tank levels or pipeline interruptions will trigger anj automatic shut in of all wells without any human involvement required. Production personnel will have the ability to shut in the site remotely.

After the wells are completed for production, all disturbed areas no longer needed will be restored and stabilized as soon as practicable. All segregated soil horizons shall be replaced to their original relative positions and shall be tilled adequately to re-establish a proper seedbed. The area will be treated to prevent invasion of undesirable species and noxious weeds, and to control erosion. This site has already been graded as part of the gravel mining operation and no revegetation is planned.

6.6 WEED CONTROL

All locations, including wells and production facilities, will be kept free of weeds; rubbish, and other waste material. During drilling, production, and reclamation operations, all disturbed areas shall be kept reasonably free of noxious weeds and undesirable species. When a well is completed for production, all disturbed areas no longer needed will be restored and revegetated as soon as practicable.

6.7 PLUGGING AND ABANDONMENT PHASE

Plugging and abandonment involves the cementing of a well and removal of its associated production Facilities, once the productive life is over. This also includes the removal or abandonment in-place of its flowline and the remediation and reclamation of the well site. Upon the plugging and abandonment of a well, all cellars will be backfilled. All debris, abandoned gathering line risers, and flowline risers, and surface equipment will be removed, and the location will be graded and re-contoured. Within ninety (90) days after a well is plugged and abandoned, the well site shall be cleared of all non-essential equipment, and debris. All access roads to the plugged and abandoned wells and associated production facilities shall be closed, graded and re-contoured in accordance with the COGCC regulations and Surface Use Agreement (if applicable). Culverts and any other obstructions that were part of the access road(s) shall be removed. As applicable, compaction alleviation, restoration, and revegetation of well sites and access roads shall be performed. After plugging a well, reclamation work will be completed within twelve (12) months on non-crop land, or with landowner consent reclamation will occur during optimal re-vegetation times of the year.

Successful Final Reclamation of the well sites and access roads will be considered completed when:

1. Reclamation of crop land has been performed and over two growing seasons has indicated no significant un-restored subsidence.

2. Reclamation of non-crop land has been performed and the total cover of live perennial vegetation, excluding noxious weeds, provides sufficient soils erosion control. Reclamation of non-crop land will be considered complete when the standards addressed in the COGCC 1000 series rules have been met.

3. Disturbances resulting from flow line installations shall be adequately reclaimed when the disturbed area is reasonably capable of supporting the pre-disturbance land use.

4. A Sundry Notice, Form 4, will be submitted to the COGCC, which describes the final reclamation procedures and any mitigation measures associated with final reclamation.

7 GRAPHIC REPRESENTATION

7.1 TYPICAL DRILLING RIG

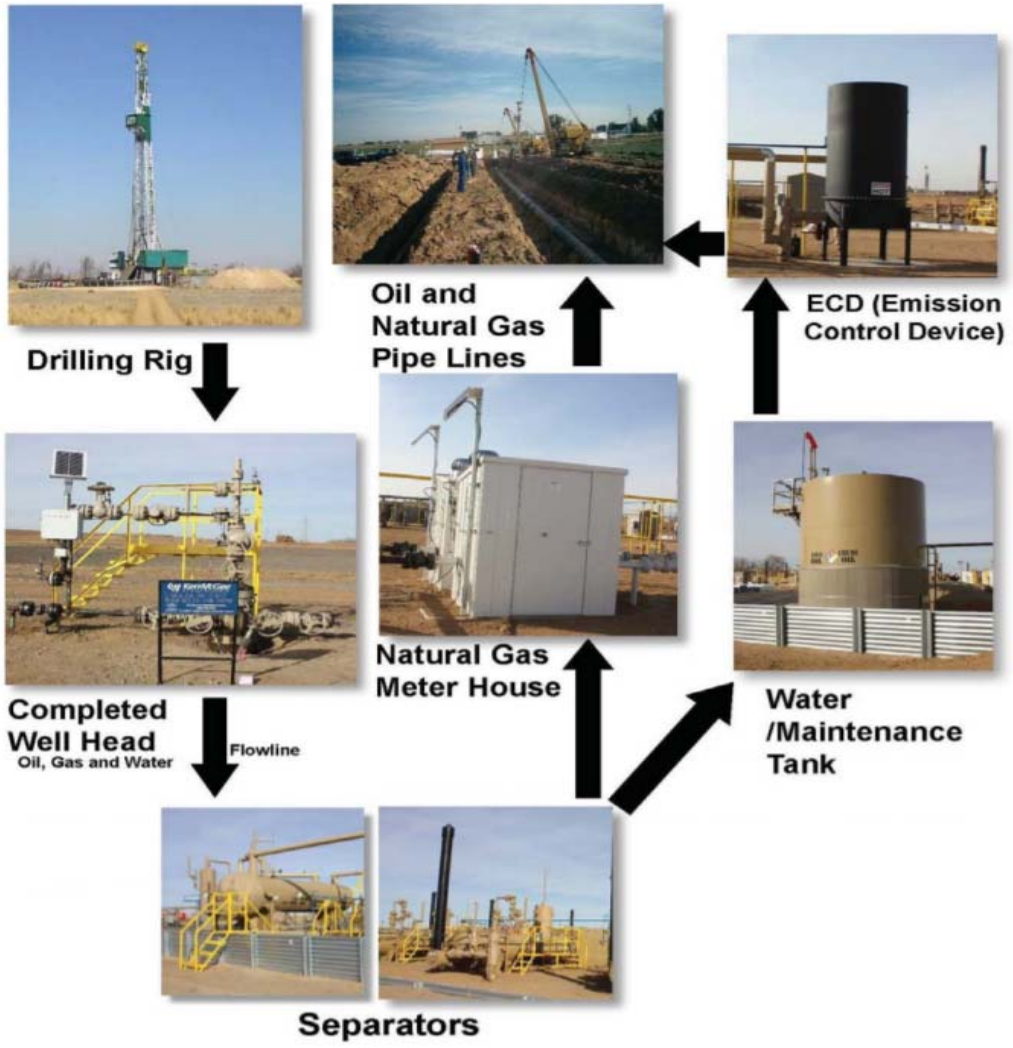
7.2 TYPICAL WELL HEAD

7.3 TYPICAL SEPARATOR & METER HOUSE

7.4 TYPICAL OIL & WATER TANKS

7.5 LACT UNIT

7.6 TYPICAL FLOW DIAGRAM



7.7 NOISE & LIGHT MITIGATION WALLS

7.8 TYPICAL FINISHED LOCATION

8.0 LIST OF REQUIRED PERMITS

8.1 COGCC

List of Form 2's & 2A

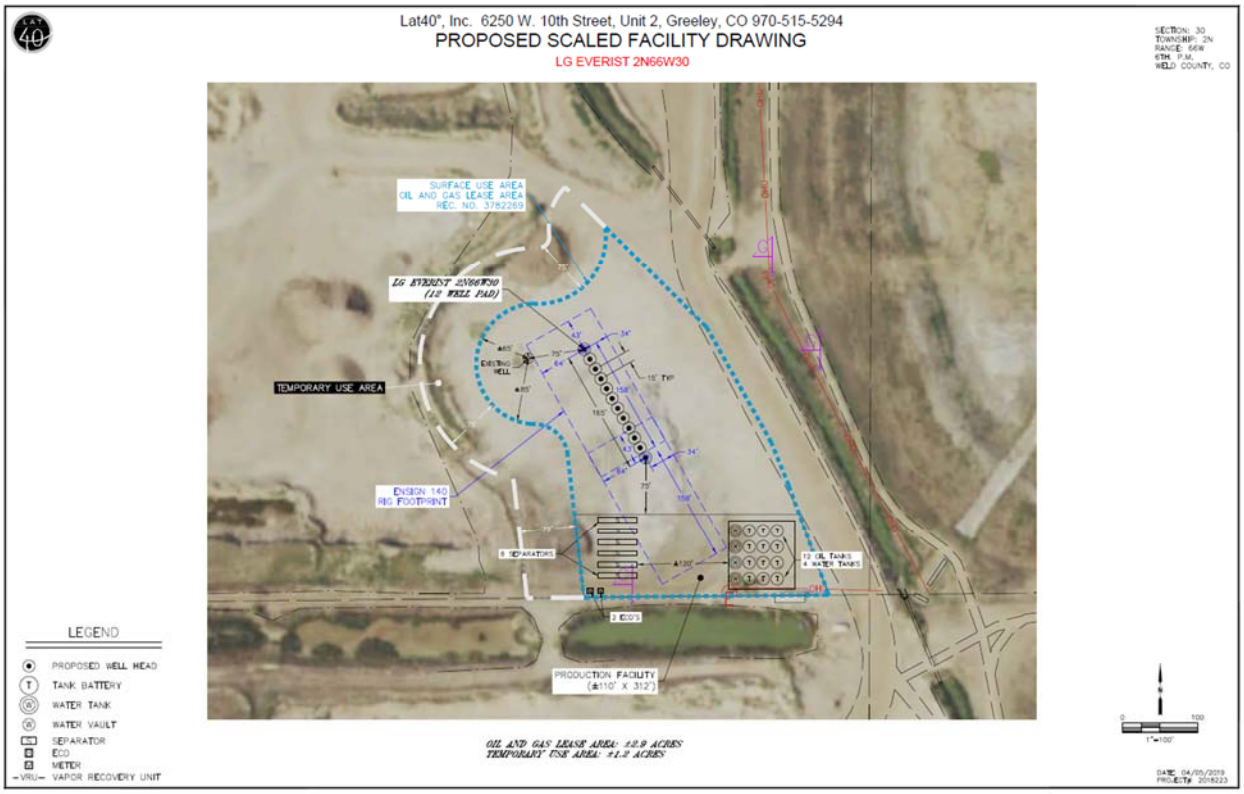
Doc ID	Num	Status	S	Date(S)	Opr Num	Company Name	County	Sec	Twp	Rng	W/L	Name
401897899	02A	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 2N66W30
401899059	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 1
401899093	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 2
401899121	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 3
401899136	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 4
401899259	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 5
401899267	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 6
401899284	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 7
401899315	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 8
401899332	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 9
401899341	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 10
401899351	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 11
401899730	02	DRAFT		01/09/2019	10583	PETRO OPERATING COMPANY LLC	WELD	30	2N	66W		LG EVERIST 12

9. Emergency Response Plan and Fire Protection Plan (ERP)

9.1 Scope

Petro Operating Company (POC) plans to drill a total of twelve wells within the City of Ft. Lupton and the boundaries of the Ft. Lupton Fire Protection District. POC's Emergency Response and Fire Protection Plan (the Plan) addresses potential risks and emergency response issues associated with the drilling, completion, and production of these oil and gas wells. Please refer to Section 6 for a detailed plan of operations.

Figure 1: Planned Site Design



9.1.1 Regulatory Requirements

This Plan has been prepared in compliance with the land use regulations of the City of Ft. Lupton. Incorporated into the Plan are Best Management Practices (BMPs) and safety, health, fire prevention, and environmental regulations of the Colorado Oil and Gas Conservation Commission (COGCC).

This ERP has been developed specifically for the POC Operating LG Everist location. It will be updated on an annual basis in January of each year or as conditions change, including personnel changes, ownership change, or substantial changes in process equipment.

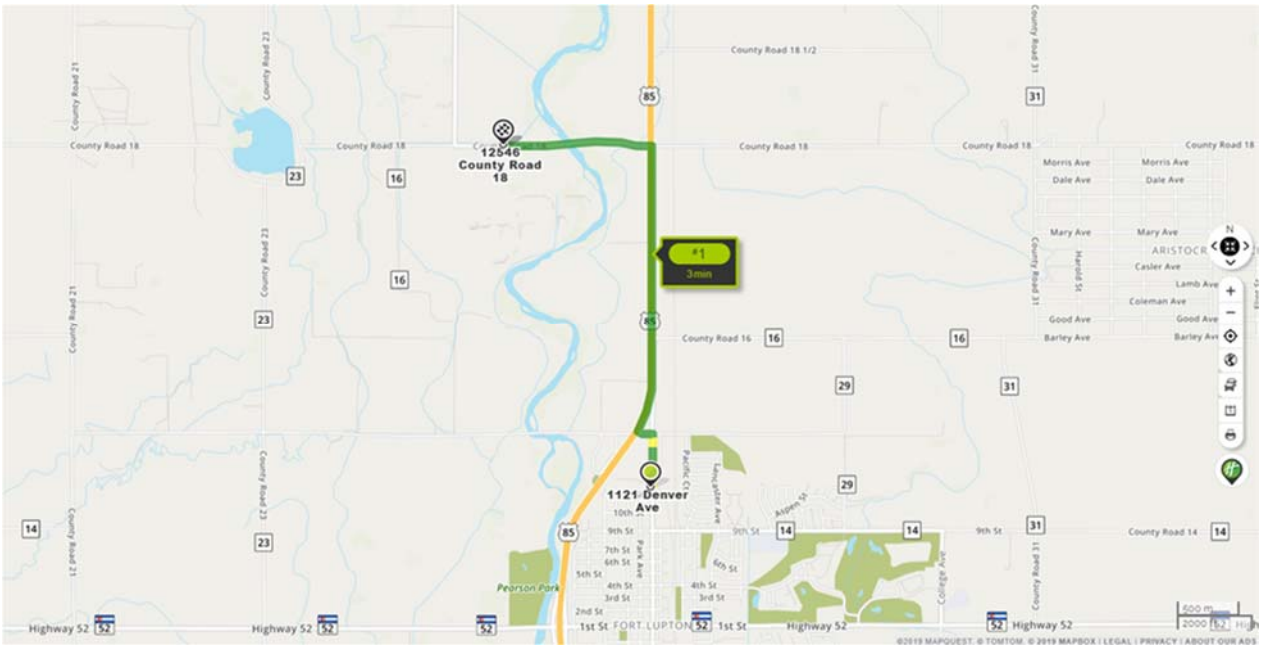
9.2 Location of Project and Directions to Site

The lat/long of the well pad is 40.11271, -104.82481.

The project is located in the NWNW, Section 30, Township 2 North, Range 66 West, 6th P.M., Weld County, Colorado, in the LG Everist Fort Lupton Gravel Pit. The well pad location and directions necessary for access by emergency responders are presented below. The well pad does not have a street address assigned to it yet, however the LG Everist Ft. Lupton Gravel Pit is located at 12546 CR 18.

Name of Site	Location	Directions to Site from FLFPD Station 1, 1121 Denver Avenue
LG Everist Pad	NWNW Sec. 30 T1N R66W Lat 40.11271 Long -104.82481	Go North on Denver Avenue to Highway 85 northbound. Travel North 1 mile on Highway 85 to CR 18. Turn left, go West on CR 18 for 3/4 miles. Turn left, go South into LG Everist Gravel Pit. Travel south 2/10 miles on access road to well pad on right.

Figure 2: Emergency Response Route



All roads and access point will be constructed to a minimum standard of 20 feet wide and will be capable of supporting 75,000 lbs. The road access and fire truck access route maps are shown below.

Figure 3: Road Access Map

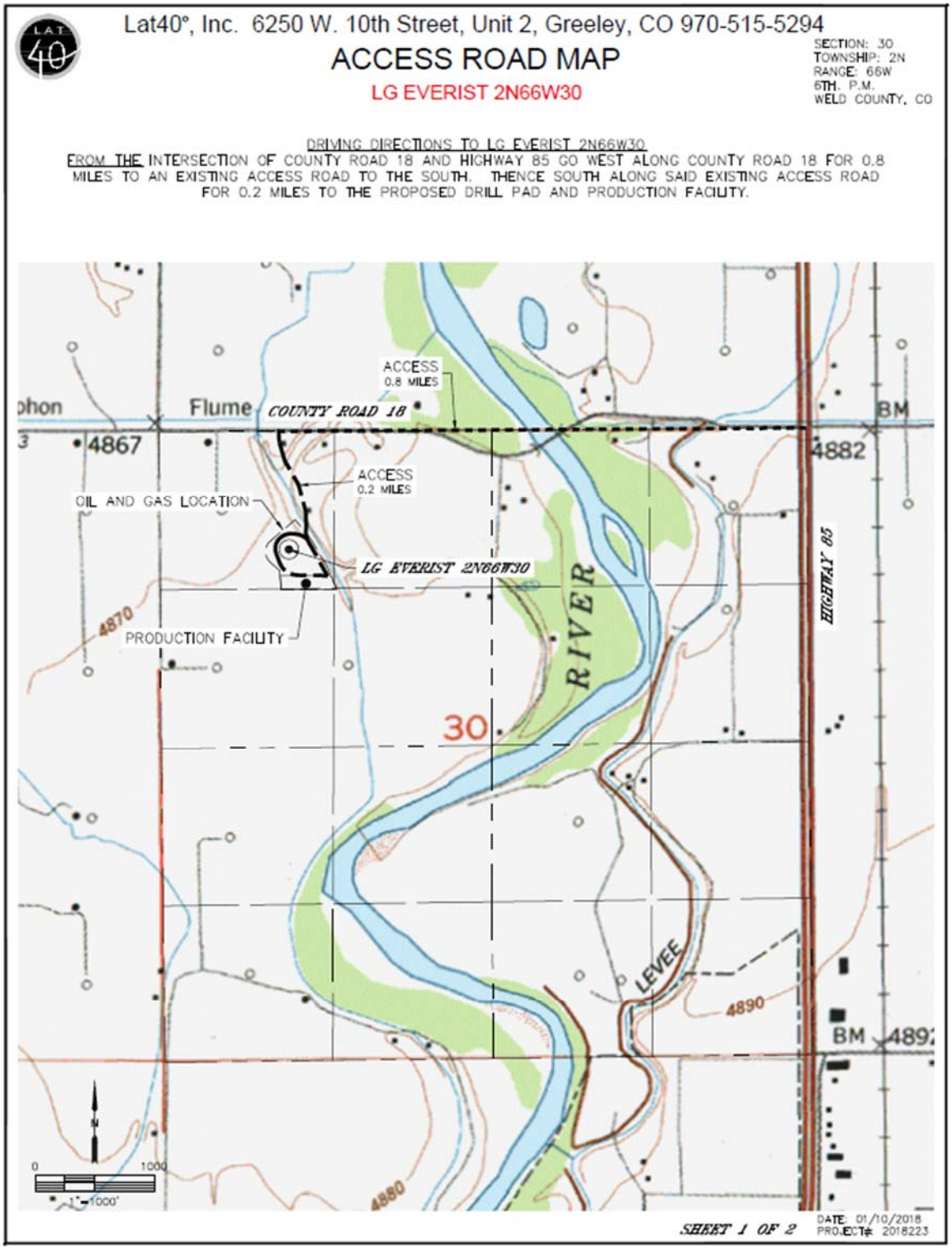


Figure 4: Road Access Map with Site Detail

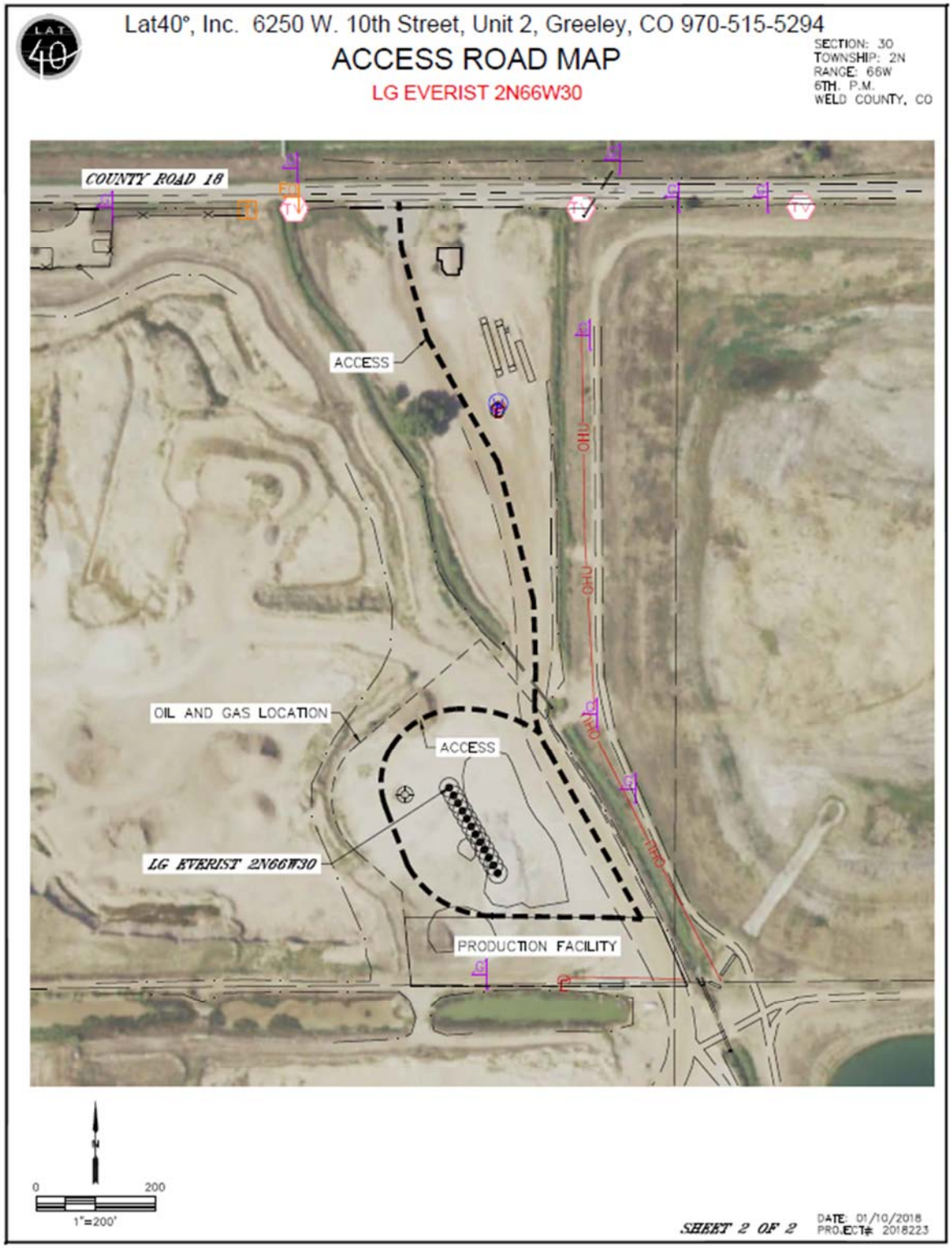
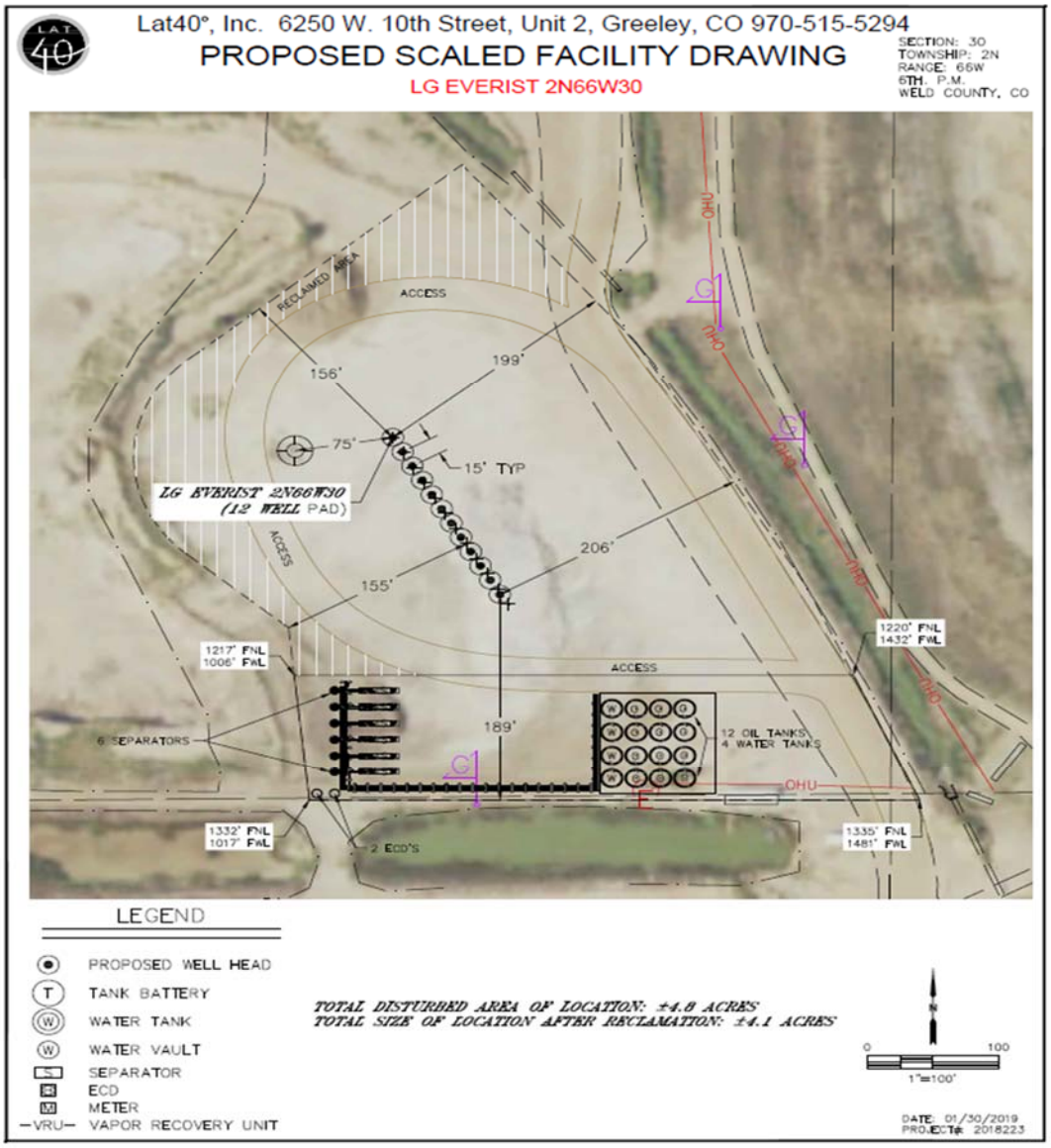


Figure 5: Detailed Wellhead and Production Equipment Layout



Upon completing facility construction, POC will submit as-built drawings in AutoCAD or other format compatible with the City's current adopted coordinate system As-built drawings shall depict the locations and type and type of above and below ground facilities including sizes, and depth below grade of all oil and gas gathering and transmission lines and associated equipment, isolation valves, surface processing equipment, as well as transportation routes to and from exploration and development sites, and dry and wet utility infrastructure and/or surface water bodies, for emergency response and management purposes.

9.4 Emergency Response & Contact List

All drilling, completion, and production activities will be performed by POC and its contractors. Emergency response personnel will have unrestricted access to all wells and production facilities. Production Facilities access will be controlled by fencing and/or keypad lock. Access code and/ or keys will be shared with Emergency Responders via Knox Box or similar method. Location signage will indicate POC's 24/7 emergency response number.

Prior to starting each operations phase (Construction, Drilling, Completion, and Production) the Operator will supply a current emergency contact list to the City and FLFPD. The contact list will be updated as changes in personnel occur.

Operations Managers have been assigned for each phase of the development. The development process will be carried out in a manner that is protective of public health, safety, welfare, and the environment; minimizing the requirement for emergency response activities. In the event of fire, injury, spill or release of hazardous materials, or any other incident requiring and emergency response, the following contacts will be made:

Emergency Response Contact List

24 hour Emergency Contact Number: (303) 484-9105

Key Company Personnel

1. Roger Parker: (303) 475-5640; 9033 E. Easter Place Suite #112, Centennial, CO, 80112
2. Andy Peterson: (970) 203-4263; 1707 Cole Blvd Suite 200, Golden CO 80401
3. Alex Corey: (713) 408-7174; 1707 Cole Blvd Suite 200, Golden CO 80401
4. Jim Berger: (970) 481-6372
5. Matt Kalb: (970) 630-3429

Emergency Response Contact List by Operations Phase

PETRO OPERATING COMPANY CEO	Roger Parker	(303) 475-5640	Primary Contact For all Project Phases
POC Project Manager	Andy Peterson	(970) 203-4263	Additional Contact for all Project Phases
POC Operations Manager Location Construction	Jim Berger	(970) 481-6372	Primary Contact for Lease Construction
POC Operations Manager – Drilling	Siji Chaparro – IPT Drilling Superintendent	(720) 951-8838	Primary Contact for Drilling Operations
POC Operations Manager Drilling	John Kroshus –. IPT Drilling Manager	(720) 420-5741 (720) 280-1536	Secondary Contact for Drilling Operations.
POC Operations Manager Fracturing	Todd Poulson – IPT Frac Manager	(405) 834-4459	Primary Contact for Fracturing Operations

POC Operations Manager Completions And Flowback	Matthew Hoffman	(970) 380-0811	Primary Contact for Completion and Flowback Operations
POC Operations Manager Facilities Construction	Jim Berger	(970) 481-6372	Primary contract for Facilities Construction
POC Operations Manager Production Operations	Matt Kalb	(970) 630-3429	Primary Contact for Production Operations
Surface Owner	City of Aurora – Lyle Whitney, Sr. Resources Specialist	(720) 859-4372	Landowner Contact

Incident Response Matrix

Incident	Contact	Phone Number	Comments
Fire, explosion, serious injury	Fort Lupton Fire Protection District	911	Non-Emergency Number (303) 857-4603
	Weld County Regional Communications Center	911	Non-Emergency Number (970) 350-9600
	COGCC	(303) 894-2100	
Fire, explosion, associated with loss of well control	Fort Lupton Fire Protection District	911	Non-Emergency Number (303) 857-4603
	Weld County Regional Communications Center	911	Non-Emergency Number (970) 350-9600
	COGCC	(303) 894-2100	
	Wild Well Control	(281) 784-4700	Commercial well control contractor
Spill or release	COGCC	(303) 894-2100	E&P waste exceeding 5 bbls or all spills that impact surface or ground water will be reported.
	Fort Lupton Fire Protection District	911 or (303) 857-4603	Reportable spill quantities of CERCLA hazardous substances.
	Colorado Department of Public Health and Environment	(303) 692-2000	Reporting required for spills impacting surface water or for reportable quantity spills of CERCLA hazardous substances.
	US EPA - Region 8	(303) 312-6312	Reporting required for spills impacting surface water or for reportable quantity spills of CERCLA hazardous substances.
	EPA National Response Center	(202) 260-4610 (800) 227-8914	Reporting required for spills impacting surface water or for reportable quantity spills of CERCLA hazardous substances.

If a fire or explosion were to occur, field personnel are instructed to:

- Sound the alarm appropriate for the current operations phase,
- Muster at the appointed site and insure all personnel are accounted for

- Assess the situation to determine whether available site resources are adequate to control/mitigate the hazard. If so then proceed with control and mitigation. Contact POC Management when possible.
- If available resources are not adequate to control/mitigate the hazard then notify the relevant agency and mobilize companies and personnel for assistance. Inform POC Management.

9.5 Spill & Release Response

All activities will comply with federal and state spill response/reporting requirements and be operated in a manner that prevents spills and releases of crude oil, natural gas, produced water and other wastes to the environment. POC employs a formal spill response plan and reporting guidelines. All POC field employees and contractors are provided with annual spill response training. In addition, all tank batteries comply with EPA Spill Prevention Control and Countermeasure (SPCC) requirements. A complete SPCC Plan will be submitted to the City within 6 months of first production from the site.

During initial production and flowback (60 – 90 days) the operator will have personnel onsite 24 hours a day, 7 days a week. During this time the wells achieve maximum flow rates and will be monitored with personnel onsite around the clock to insure no spills occur. Onsite personnel will have the ability to shut the wells in if needed.

All tanks will be equipped to monitor fluid levels and to notify the operator of any potential leaks or potential overflow conditions and flow will be automatically shut down to the affected tank. In addition, all tanks will have automatic overflow protection which diverts produced fluids to a backup tank. Major process upsets or high tank conditions will trigger a complete shut in of all producing wells.

If a spill or release were to occur, field personnel are instructed to:

- Assess immediate danger or threat to health, safety, and welfare and contact emergency responders, if appropriate;

- Locate and stop the source of the spill, if safe to do so;

- Report the spill to the Operations Manager and arrange for additional response support, including contractor support;

- Take whatever steps are necessary to prevent the spill from impacting surface water, public health, safety, and welfare; and,

- Report the spill to POC management, who will coordinate follow-up spill cleanup and environmental assessment activities and who will report the incident to appropriate authorities.

9.6 SAFETY AND FIRE PREVENTION GUIDELINES

- POC and its contractors will employ best management practices during the drilling, completing and production of its wells and will comply with all COGCC rules concerning safety and fire relating to oilfield development.

- POC employees and contractors will be familiar with the COGCC rules and regulations concerning safety and fire prevention as they apply to their specific job duties;

- All facilities will be visited at a minimum daily by POC employees and/or contractors. Unsafe or potentially unsafe conditions will be reported immediately to the Operations Manager.

- POC will utilize automation equipment to monitor production on the site in real time. In the event of an emergency the operator will be capable of remotely shutting in wells and facilities.

- Accidents that result in significant injury or property damage will be reported to the COGCC and the City within 24 hours;

- POC and its contractors will cooperate fully with local and state emergency responders;

- Vehicles not involved in drilling, production, or well servicing operations will be kept at least 100' from the well head, or a distance equal to the height of the drilling derrick, whichever is greater.

- Appropriate weed abatement measures will be taken prior to and during drilling, workover, and production operations to minimize fire danger;

- The drilling rig shall be positioned a minimum distance of 200' from any occupied building, public road, major above ground utility line, or railroad;

- Drilling and Well Servicing contractors will place a sign or marker at the intersection of the access road and County Road 18. The sig or marker will include emergency contact telephone numbers;

- During well drilling and well servicing operations, a safety valve with connections suitable for use with each size and type of tool joint or coupling being used will be present on the rig floor;

- The drilling rig substructure, derrick, or mast will be designed and operated to prevent the accumulation of static charge;

- Appropriate emergency response numbers will be posted at the drilling and service rig as well as detailed information identifying access or evacuation routes, and health care facilities to be used in the event of an emergency.

- The site will be fenced and locked for security purposes. All gates will be equipped with Knox padlocks or Knox Box to allow access for emergency response personnel.

- Prior to well servicing operations, the well's pressure will be checked and appropriate steps taken to remove pressure or operate safely under pressure before beginning servicing operations;

- Appropriate blowout prevention equipment (BOPs) will be utilized during well drilling, completion, workover, or servicing activities, as required by COGCC Rule 317, and in accordance with American Petroleum Institute (API) RP-53: Recommended Practices for Blowout Prevention Equipment Systems.

- BOP equipment will be inspected daily and a preventer operating test shall be performed on each round trip (not to exceed more than once per 24 hour period). Notes of the tests shall be made on the daily report;

- All fittings, valves, and unions connected to the BOP, well casing, casing head, drill pipe, or tubing will have a working pressure rating suitable for the maximum anticipated surface pressure and will be maintained in good working order;

- The BOP will contain pipe rams to enable closure of the pipe being used as well as blind rams to close upon the open hole. All choke and kill lines will be anchored or secured;

- All rig employees shall have instruction in how to operate the BOP system;

- All wells and tank batteries will be kept free of weeds, debris, surplus equipment, and surplus vehicles;

- Above ground storage tanks (ASTs) for storage of crude oil and hydrocarbon condensate will be constructed of materials compatible with the materials stored in accordance with appropriate API and Underwriters Laboratories, Inc, standards;

- ASTs will be located at least two tank diameters or 350' feet, whichever is smaller, from property boundaries;

- ASTs will be located at least one-sixth the sum of their diameters apart;

- ASTs will be located at least 1000' feet from residences, normally occupied buildings, or well defined normally occupied outside areas;

- A metal containment structure or berm sufficient to contain the contents of the largest AST will be constructed and maintained at each tank battery, and no ignition source will be located within the berm;

- ASTs will be located at least 75' feet from the wellhead, any fired vessel, or other ignition source;

- Hatches on all ASTs will be kept closed when not in use;

- All fired vessels will be located at least 75' feet from the wellhead;

- Production facilities will be fenced to prevent access from the public. POC will comply with all IFC 2012 Fire Codes, including additional labeling of the tanks and storage areas. Emergency Response teams will have access to the facilities at all times.

- The required information will be either placards on the storage tanks and containers, or signage at the facility. The information will contain the following language: "FLAMMABLE-KEEP FIRE AND FLAME AWAY". Location signs will be posted and maintained identifying the wells, POC as the operator, emergency contact telephone members, and directions to the facility;

- All valves, pipes, and fittings will be securely fastened and inspected at regular intervals to ensure they are maintained in good working order;

- Smoking will be prohibited in the vicinity of any fire hazard and signs will be posted to state "No Smoking or Open Flame";

- Adequate fire extinguishers will be carried in every field vehicle, plainly labeled as to their type and method of operation, and field personnel will be trained in their use; and,

- In the unlikely event of a blowout the operator will not use foam to fight the fire. The operator will utilize contract well control experts to secure the well and extinguish the fire. The operator does not expect FLFPD personnel to engage in the well control activities unless mutually agreed upon.

- The facility will be equipped with Alarms, Muster Stations and Wind Socks

    - Note: Alarms and Muster Station will vary by operational stage; the operator will cover these in the pre job safety briefing prior to starting work on each phase.

9.7 HYDROGEN SULFIDE

There is no anticipated Hydrogen Sulfide on this location. All producing reservoirs are normally pressured and POC will utilize the 2 barrier (primary and secondary) method on all reservoir operations

9.8 MATERIAL SAFETY DATA SHEET

Material Safety Data Sheets (MSDS) for hazardous materials used during the drilling, completion, and production processes will be onsite during the relevant operations and available upon request. This includes crude oil and hydrocarbon condensate stored in the ASTs. Please contact Roger Parker at (303) 475-5640 for copies of the MSDS.

9.9 EMERGENCY RESPONSE EXPENSES AND DAMAGES

POC will be obligated to reimburse the appropriate emergency agencies for expenses and damages resulting from the Operator's operations, to the extent required by Colorado State Statutes.