FORM 2 Rev 08/16

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
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Document Number: 401789835

Date Received: 10/11/2018

APPLICATION FOR PERMIT TO:

☒ **Drill** ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER ____ Refiling ☒

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐ Sidetrack ☐

Well Name: Antico Well Number: 34-3-2

Name of Operator: CONFLUENCE DJ LLC COGCC Operator Number: 10518

Address: 1001 17TH STREET #1250

City: DENVER State: CO Zip: 80202

Contact Name: Brittany Rothe Phone: (303)226-9519 Fax: ( )

Email: brothe@confluencelp.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20160056

WELL LOCATION INFORMATION

QtrQtr: SWSE Sec: 34 Twp: 1N Rng: 65W Meridian: 6

Latitude: 40.001660 Longitude: -104.649280

Footage at Surface: 400 Feet FNL/FSL FSL 2411 Feet FEL/FWL FEL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 5133 County: WELD

GPS Data:

Date of Measurement: 07/28/2016 PDOP Reading: 2.2 Instrument Operator's Name: Jim Rieb

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

Footage at Top of Prod Zone: 470 FNL/FSL FNL 1980 FEL/FWL FEL

Bottom Hole: 470 FNL/FSL FSL 1991 FEL/FWL FEL

Sec: 3 Twp: 1S Rng: 65W Sec: 3 Twp: 1S Rng: 65W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Surface Owner is: (check all that apply)

☐ is the mineral owner beneath the location.
☐ 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.)

T1S R65W Section 3: All

Total Acres in Described Lease: 606 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: 470 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building:	611	Feet
Building Unit:	611	Feet
High Occupancy Building Unit:	5280	Feet
Designated Outside Activity Area:	5280	Feet
Public Road:	384	Feet
Above Ground Utility:	2696	Feet
Railroad:	5280	Feet
Property Line:	312	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: 09/09/2016

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: 165 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 470 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

Spacing Unit: W2E2, Sec. 3, T1N, R65W

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		160	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 11846 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: 250 Feet ☐ No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H_2S 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?

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	26	16	43	0	80	400	80	0
SURF	13+1/2	9+5/8	36	0	1500	787	1500	0
1ST	8+3/4	5+1/2	17	0	11846	1925	11846	

☐ 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 wellpad has not been constructed. An updated Offset Well Evauation has been uploaded.

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

Location ID: 449239

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: Andrea Gross

Title: Permit Agent Date: 10/11/2018 Email: agross@upstreampm.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: 3/20/2019

Expiration Date: 03/19/2021

API NUMBER

05 123 44217 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
	The Operator shall provide updated cultural distances to the nearest building unit and revised location drawing for location ID 449239 via Form 4 Sundry within 30-days of the approval of this Form 2 refile.
	This Permit to Drill is approved subject to all the BMPs and COAs on the most recently approved Form 2A and any subsequently approved Form 4 for the Oil and Gas Location (Location ID #449239). The most recently approved Form 2A and any subsequent Form 4s containing applicable COAs for this location shall be posted onsite during construction, drilling, and completions operations.
	If location is not built by 2A expiration 2/14/2020, Operator must Refile Form 2A for approval prior to location construction.
	Operator acknowledges the proximity of the non-operated listed well. Operator agrees to: provide mitigation option 1 or 2 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 (“OFFSET MITIGATION COMPLETED”) stating that appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. 05-123-12670, Jordan 34-5 Operator acknowledges the proximity of the listed non-operated wells. Operator assures that this offset list will be remediated per the DJ Basin Horizontal Offset Policy (option 3). Operator will submit a Form 42 (“OFFSET MITIGATION COMPLETED”) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. 05-123-12691, JORDAN 34-6 05-001-08179, RMPCO-UPRR-PENROD 1 05-001-09279, UPV 3-7M5
	1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU (spud notice) for the first well activity with a rig on the pad and provide 48 hour spud notice via Form 42 for all subsequent wells drilled on the pad. 2) Comply with Rule 317.j. and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after all fresh water aquifers are covered. Bradenhead tests shall be performed according to the following schedule and the Form 17 submitted within 10 days of each test: 1) Within 60 days of rig release and prior to stimulation and 2) If a delayed completion, 6 months after rig release and prior to stimulation. 3) Within 30 days after first production, as reported on Form 5A. If a bradenhead test reports a surface casing pressure greater than 200 psig stimulation is not allowed until the Engineering Supervisor has been consulted.

Best Management Practices

No	BMP/COA Type	Description
1	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.
2	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.
3	Drilling/Completion Operations	Bradenhead Monitoring: Operator acknowledges and will comply with COGCC Policy for Braden-head Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.

Total: 3 comment(s)

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf
Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area. http://cogcc.state.co.us/documents/reg/Policies/PolicyGwaBradenheadMonitoringFinal.pdf

Attachment Check List

Att Doc Num	Name
401789835	FORM 2 SUBMITTED
401792339	OffsetWellEvaluations Data
401978923	OFFSET WELL EVALUATION

Total Attach: 3 Files

General Comments

User Group	Comment	Comment Date
Permit	Final permitting review Complete. Send to Final Approval.	03/08/2019
Permit	The following changes were made with Operator concurrence: - corrected distance to building and building unit to 611	03/06/2019
Permit	Initial permitting review complete and task passed. The following changes were made with Operator concurrence: - corrected rule 317.p. BMP - "A Sundry was just submitted for the location requesting the use of OBM. Document number is 401907551."	01/24/2019
Permit	Contacted Operator for the following corrections: - “Drilling & Waste Plans” tab: oil based mud update?	01/15/2019
Permit	Passed completeness	10/22/2018

Total: 5 comment(s)