

DAUB & ASSOCIATES, INC.



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August 11, 2015

Mr. Kent Walter  
Bureau of Land Management  
220 East Market Street  
Meeker, CO 81641

**Re: Simple Oil LLC, Lease COC74299 – APD Documents for OSR-1 Oil Shale RD&D Well**

Mr. Walter:

Simple Oil LLC, previously known as Natural Soda Holdings, Inc., plans to drill an Oil Shale RD&D well (OSR-1) in 2016. The OSR-1 well will be located approximately 600 feet southwest of the existing DS-6 ground water monitor well. The OSR-1 well location has been shifted slightly south of the initial location proposed in the 2013 Plan of Development. This new location will center the OSR-1 well and alternate well locations between Natural Soda LLC's future nahcolite solution mining well paths and will be located underneath the intervening pillars. The OSR well pad will be positioned and built such that in the event of mechanical difficulties with OSR-1, or if there is a determination to extend the research project, an offset additional or replacement OSR well or wells may be drilled.

Please find attached:

- Completed 3160-3 form for OSR-1
- General Location Map and Utility Map
- Proposed OSR-1 Well Construction Schematics
- Proposed OSR-1 Well Completion Diagram

Should you have any questions or comments, please contact me at (970) 254-1224 (o) or (970) 216-1010 (c), or Bob Warneke at (970) 355-4590.

Regards,

Gerald J. Daub, PG, CPG  
President  
Daub & Associates, Inc.

Cc: Bob Warneke  
Projects Director  
Simple Oil LLC

Travis Marshall  
Colorado Division of Reclamation Mining and Safety

File

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

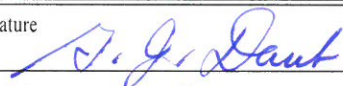
FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. COC74299
1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Simple Oil LLC		7. If Unit or CA Agreement, Name and No. Simple Oil LLC
3a. Address 3200 Rio Blanco County Road 31 Rifle, CO 81650		8. Lease Name and Well No. OSR-1
3b. Phone No. (include area code) (970) 878-3674		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface Latitude 39.925876403' N, Longitude 108.364571952' W (NAD 83) At proposed prod. zone Same		10. Field and Pool, or Exploratory Oil Shale RD&D Well
14. Distance in miles and direction from nearest town or post office* ~40 miles southwest of Meeker, Colorado		11. Sec., T. R. M. or Blk. and Survey or Area Section 35, T1S, R98W, 6th P.M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of acres in lease 160	12. County or Parish Rio Blanco
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	17. Spacing Unit dedicated to this well	13. State CO
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6705 GL	19. Proposed Depth ~2900' MD & TVD	20. BLM/BIA Bond No. on file
22. Approximate date work will start*	23. Estimated duration	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification   |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM.             |

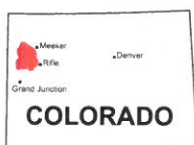
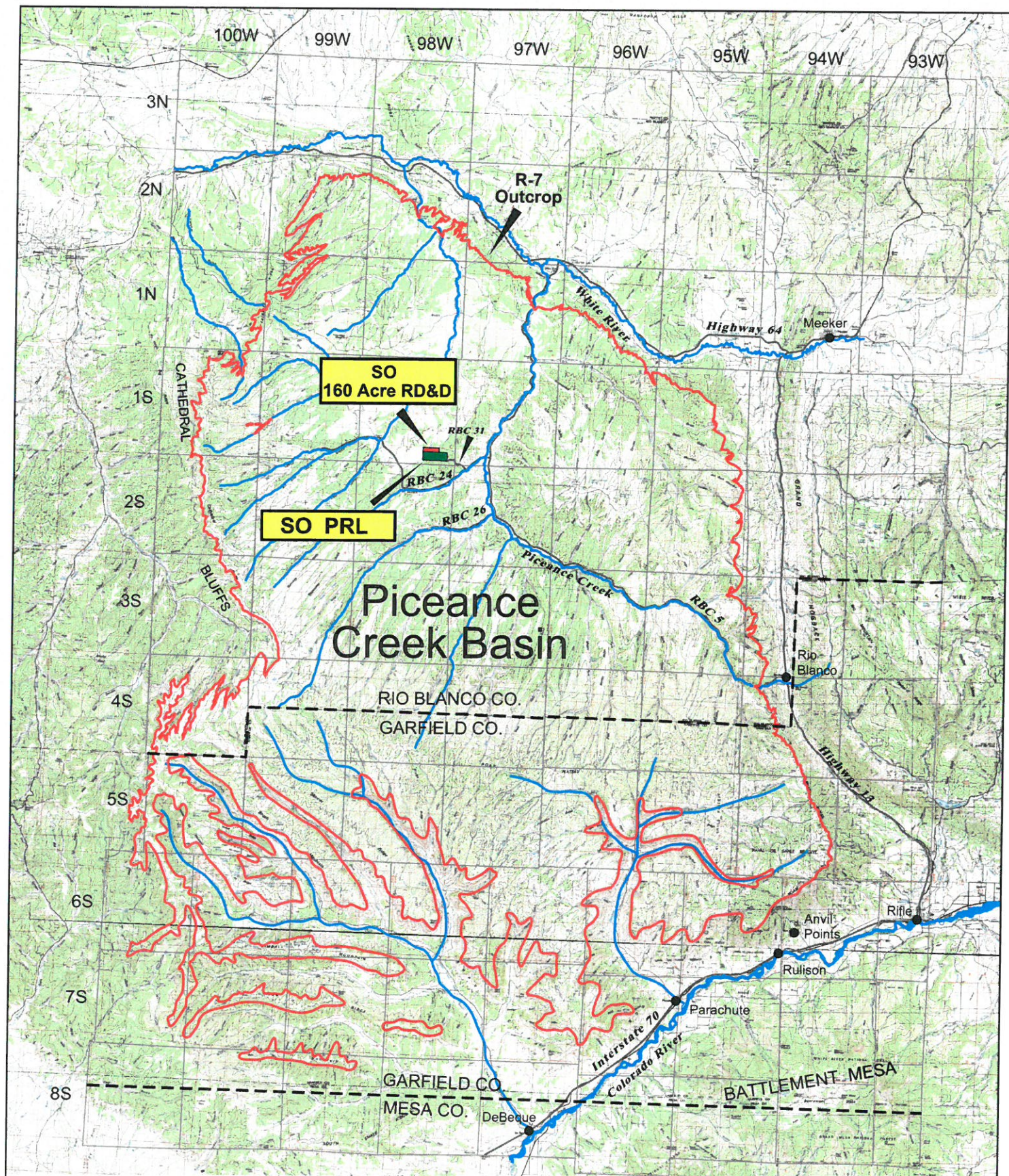
25. Signature 	Name (Printed/Typed) Gerald J. Daub	Date 8-12-15
Title President	Daub & Associates, Inc.	
Approved by (Signature)	Name (Printed/Typed)	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

\*(Instructions on page 2)



# Simple Oil LLC OSR Project General Location Map

Daub & Associates, Inc.

Date: February 13, 2015



SIMPLE OIL LLC  
OIL SHALE RD&D PROJECT

WELL CONSTRUCTION SPECIFICATIONS (PROPOSED)		2016 Proposed
		OSR-1
		RD&D Oil Shale Recovery Well
<b>CONDUCTOR HOLE &amp; CASING (CON)</b>		
CON OPEN HOLE/BIT DIAMETER, in. (maximum)		30.0
CON OPEN HOLE TD, ft. GL		100.0
CON CASING, CEMENTED, SET DEPTH, ft. GL		100.0
CON CASING SIZE, OD in.		24.0
CON ANNULUS, in.		3.0
<b>INTERMEDIATE HOLE &amp; CASING (INT)</b>		
INT OPEN HOLE/BIT DIAMETER, in.		19.0
INT OPEN HOLE TD, ft. GL		2,900.0 +/-
INT CASING, CEMENTED (thermal), SET DEPTH, ft. GL		2,330.0 +/-
INT CASING SIZE, OD in.		16.0
INT ANNULUS, in.		1.5
<b>PRODUCTION EQUIPMENT SPECS</b>		
5.5" OD SS 316 CASING (5.0" ID), CEMENTED (thermal), SET DEPTH, ft. GL		2,350.0 +/-
NITROGEN GAS CAP SET DEPTH, ft. GL		VARIABLE
2.0" OD HOT OIL DUAL STRING CLOSED LOOP RECIRCULATION TUBING, SS 316, SET DEPTH, ft. GL		2,872.0 +/-
2.0" OD PRODUCED VAPOR RECOVERY TUBING, SS 316, SET DEPTH, ft. GL		2,810.0 +/-
2.0" OD PRODUCED OIL RECOVERY TUBING, SS 316, SET DEPTH, ft. GL		2,870.0 +/-

Simple Oil LLC  
Drilling and Well Completion Diagram



Well: **OSR-1**  
Well Type: **Oil Shale Reactor**  
Section: **35**  
Township: **1S**  
Range: **98W**

Hole Type: **Production Well**  
Elevation: **6705, estimated**  
Ground Level, ft (top of conductor casing)  
Date: **8/12/2015**  
stratigraphy from prog

