

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



| | | | |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Document Number:

1904957

Plugging Bond Surety

20010102

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐

Refiling ☒

Sidetrack ☐

3. Name of Operator: PETRO-CANADA RESOURCES (USA) INC

4. COGCC Operator Number: 72085

5. Address: 999 18TH ST STE 600

City: DENVER State: CO Zip: 80202-2499

6. Contact Name: SUSAN MILLER Phone: (303)297-2100 Fax: (303)297-7708

Email: SUSAN.MILLER@PETRO-CANADA.COM

7. Well Name: DINNER Well Number: 13-35

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 7150

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 13 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.482750 Longitude: -104.616740

Footage at Surface: 1456 FNL/FSL FSL 1164 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4699 13. County: WELD

14. GPS Data:

Date of Measurement: 02/28/2008 PDOP Reading: 2.3 Instrument Operator's Name: DALLAS NIELSEN

15. 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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 401 ft

18. Distance to nearest property line: 151 ft 19. Distance to nearest well permitted/completed in the same formation: 747 ft

20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| NIOBRARA-CODELL | NB-CD | 407-87 | 160 | SW4 |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#: _____

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No

23b. If 23 is No ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bon ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
6-65: SECTION 13: W/2SW/4

25. Distance to Nearest Mineral Lease Line: 151 ft 26. Total Acres in Lease: 80

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☒ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☒ Offsite ☐ Onsite

Method: ☐ Land Farming ☒ Land Spreading ☐ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bottom | Cement Top |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| SURF | 12+1/4 | 8+5/8 | 26 | 400 | 287 | 400 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 7,150 | 1,083 | 7,150 | 400 |

32. BOP Equipment Type: ☐ Annular Preventer ☒ Double Ram ☐ Rotating Head ☐ None

33. Comments CONDUCTOR CASING WILL NOT BE UTILIZED. NO CHANGES TO LOCATION SINCE ORIGINAL SUBMITTAL.

34. Location ID: 310948

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☒ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: Y Print Name: SUSAN MILLER

Title: REGULATORY ANALYST Date: 6/15/2009 Email: SUSAN.MILLER@PETRO-CA

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: David S. Neslin Director of COGCC Date: 9/30/2009

API NUMBER

05 123 27122 00

Permit Number: 20092719 Expiration Date: 9/29/2011

CONDITIONS OF APPROVAL, IF ANY:

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.

1) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us 2) Comply with Rule 317.i and Parkman Order 464, provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Parkman to 300' above Parkman. Verify coverage with cement bond log.

Lining of the drilling pit or use of a close loop system required due to shallow groundwater.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|----------------------|
| 1904956 | SURFACE AGRMT/SURETY | LF@2086912 1904956 |
| 1904958 | WELL LOCATION PLAT | LF@2086910 1904958 |
| 400007608 | APD ORIG & 1 COPY | LF@2086908 400007608 |

Total Attach: 3 Files