

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



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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 ☐

Document Number:

400077960

Plugging Bond Surety

20090078

3. Name of Operator: PETROLEUM DEVELOPMENT CORPORATION

4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

6. Contact Name: Kelly Huffman Phone: (303)831-3974 Fax: (303)860-5838

Email: khuffman@petd.com

7. Well Name: Schaefer Well Number: 42-7D

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

9. Proposed Total Measured Depth: 7589

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 7 Twp: 6N Rng: 66W Meridian: 6

Latitude: 40.502250 Longitude: -104.817310

Footage at Surface: 2551 FNL/FSL FNL 1585 FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4860 13. County: WELD

14. GPS Data:

Date of Measurement: 04/27/2010 PDOP Reading: 6.0 Instrument Operator's Name: Thomas G. Carlson

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

Footage at Top of Prod Zone: FNL/FSL 1978 FNL 722 FEL FEL Bottom Hole: FNL/FSL 1978 FNL 722 FEL FEL
Sec: 7 Twp: 6N Rng: 66W Sec: 7 Twp: 6N Rng: 66W

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: 1550 ft

18. Distance to nearest property line: 90 ft 19. Distance to nearest well permitted/completed in the same formation: 1025 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	80	E/2NE/4
Sussex Shannon	SX-SN	N/A	80	E/2NE/4

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#: 19990086

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):
Township 6 North, Range 66 West, 6th P M, Section 7: E/2

25. Distance to Nearest Mineral Lease Line: 722 ft 26. Total Acres in Lease: 330

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	24	670	500	670	0
1ST	7+7/8	4+1/2	10.5	7,589	525	7,589	0

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

33. Comments Conductor casing will not be used. The Schaefer 42-7D will be drilled from the same pad as the Schaefer 33-7D, 32-7D, 7OD and 7S (a previously permitted location). The wells will be tied into a tank battery facility approximately 2,260' to the south which currently services the Frye-Swanson #1 well. Petroleum Development Corporation requests approval of a Rule 603.a.(2) exception location: Wellhead is to be located less than 150' from a property line. Petroleum Development Corporation requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location.

34. Location ID: 302368

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: _____ Print Name: Kelly Huffman

Title: Contract Land Tech Date: 8/9/2010 Email: khuffman@petd.com

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. Nesline Director of COGCC Date: 9/2/2010

Permit Number: _____ Expiration Date: 9/1/2012

API NUMBER

05 123 32159 00

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) Note surface casing setting depth change from 650' to 670'. Increase cement coverage accordingly. 2) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log. 4) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name	Doc Description
400077960	FORM 2 SUBMITTED	LF@2521129 400077960
400078000	30 DAY NOTICE LETTER	LF@2521130 400078000
400078001	EXCEPTION LOC WAIVERS	LF@2521131 400078001
400078002	EXCEPTION LOC REQUEST	LF@2521132 400078002
400078003	EXCEPTION LOC WAIVERS	LF@2521133 400078003
400078004	EXCEPTION LOC REQUEST	LF@2521134 400078004
400078005	DEVIATED DRILLING PLAN	LF@2521135 400078005
400078006	PLAT	LF@2521136 400078006
400078007	TOPO MAP	LF@2521137 400078007

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Per Kelly Huffman, change distance to nearest well completed/permitted in the same location from 22 to 1025. PVG	9/2/2010 9:36:31 AM

Total: 1 comment(s)

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