

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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| DE | ET | OE | ES |
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Document Number:

400081453

Plugging Bond Surety

20090078

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: 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: Coors Energy Well Number: 23-25D

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

9. Proposed Total Measured Depth: 7263

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 25 Twp: 3N Rng: 64W Meridian: 6

Latitude: 40.191540 Longitude: -104.503540

Footage at Surface: 877 FNL/FSL FSL 1583 FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4815 13. County: WELD

14. GPS Data:

Date of Measurement: 06/23/2010 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 1986 FSL 1977 FEL/FWL FWL Bottom Hole: FNL/FSL 1986 FSL 1977 FEL/FWL FWL
Sec: 25 Twp: 3N Rng: 64W Sec: 25 Twp: 3N Rng: 64W

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: 1447 ft

18. Distance to nearest property line: 877 ft 19. Distance to nearest well permitted/completed in the same formation: 605 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 | N/2SW/4 |
| Sussex Shannon | SX-SN | N/A | 80 | N//2SW/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 Bond ☐ \$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 3 North, Range 64 West, 6th P.M. Section 25: NE/4NE/4, NW/4NW/4, SE/4NW/4, S/2 (and lands in other sections)

25. Distance to Nearest Mineral Lease Line: 877 ft 26. Total Acres in Lease: 2889

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: CLOSED LOOP

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 | 725 | 500 | 725 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 10.5 | 7,263 | 525 | 7,263 | 0 |

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

33. Comments Conductor casing will not be used. The Coors Energy 25B, 13-25D, 23-25D, 25PD, 25HD, 14-25D and 25LD wells will be drilled from the same pad. The wells will be tied into a tank battery facility located approximately 260' SSE of the well site. Operator 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. Waiver attached

34. Location ID: 302588

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: 8/17/2010 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: 9/8/2010

API NUMBER

05 123 32170 00

Permit Number: _____ Expiration Date: 9/7/2012

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.

COGCC ENG COA - SME

- 1) Note surface casing setting depth change from 650' to 725'. Increase cement coverage accordingly.
- 2) Provide 24 hour notice of MIRU to Bo Brown at 970-330-6085 or email at bo.brown@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 to 200' above Sussex. Verify coverage with cement bond log.
- 4) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well. Restore surface location.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 2510532 | SURFACE CASING CHECK | LF@2535188 2510532 |
| 400081453 | FORM 2 SUBMITTED | LF@2524699 400081453 |
| 400081459 | DEVIATED DRILLING PLAN | LF@2524700 400081459 |
| 400081460 | PLAT | LF@2524701 400081460 |
| 400081461 | TOPO MAP | LF@2524702 400081461 |
| 400081462 | EXCEPTION LOC WAIVERS | LF@2524703 400081462 |
| 400081463 | EXCEPTION LOC REQUEST | LF@2524704 400081463 |
| 400082089 | 30 DAY NOTICE LETTER | LF@2524705 400082089 |

Total Attach: 8 Files

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