



**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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):  
SE/4 and a portion of the SW/4 of section 32 T7N 66W. See attached mineral lease description.

25. Distance to Nearest Mineral Lease Line: 360 ft 26. Total Acres in Lease: 242

**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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)?  Yes  No

31. Mud disposal:  Offsite  Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24	0	900	500	900	0
1ST	7+7/8	4+1/2	10.5	0	7,646	525	7,646	0

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

33. Comments Conductor casing will not be used. The Nelson 13-32D, 23-32D, 14-32D, 24-32D, 32BD will all be drilled from the same pad. The wells will be tied into a tank battery facility approximately 991 feet to the southwest. 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: \_\_\_\_\_

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: Liz Lindow

Title: Permit Representative Date: 2/11/2011 Email: llindow@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. Neslin Director of COGCC Date: 3/11/2011

<b>API NUMBER</b> 05 123 33118 00	Permit Number: _____	Expiration Date: <u>3/10/2013</u>
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**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 391' to 900'. 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. 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
400123171	FORM 2 SUBMITTED
400123173	DEVIATED DRILLING PLAN
400123229	WELL LOCATION PLAT
400123230	TOPO MAP
400127819	MINERAL LEASE MAP
400132811	EXCEPTION LOC WAIVERS
400132823	EXCEPTION LOC REQUEST

Total Attach: 7 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	----Changed nearest lease line distance to western edge of lease presented in attachment. Changed bottom hole FWL-Surface location FWL repeated. This interpretation/accuracy may be subject to change	3/1/2011 8:27:42 PM
Permit	-----Surface owner waiver and exception location request attached-318A.a and 318A.c. Nelson 14-32D will be considered exception location for both requests. 318A.a exception granted. Nelson 32BD closer than 50' from Nelson 24-32D.	3/1/2011 6:37:53 PM

Total: 2 comment(s)

**BMP**

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)