


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		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">DE</td> <td style="width: 25%;">ET</td> <td style="width: 25%;">OE</td> <td style="width: 25%;">ES</td> </tr> </table>	DE	ET	OE	ES
DE	ET	OE	ES				
APPLICATION FOR PERMIT TO:			Document Number: 400123234 Plugging Bond Surety 20090078				
1. <input checked="" type="checkbox"/> Drill, <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>PETROLEUM DEVELOPMENT CORPORATION</u> 4. COGCC Operator Number: <u>69175</u>							
5. Address: <u>1775 SHERMAN STREET - STE 3000</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80203</u>							
6. Contact Name: <u>Liz Lindow</u> Phone: <u>(303)590-8789</u> Fax: <u>()</u> Email: <u>llindow@petd.com</u>							
7. Well Name: <u>Nelson</u> Well Number: <u>24-32D</u>							
8. Unit Name (if appl): _____ Unit Number: _____							
9. Proposed Total Measured Depth: <u>7816</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>NWSW</u> Sec: <u>32</u> Twp: <u>7N</u> Rng: <u>66W</u> Meridian: <u>6</u> Latitude: <u>40.528410</u> Longitude: <u>-104.809610</u>							
Footage at Surface: <u>1726</u> feet FNL/FSL <u>FSL</u> <u>929</u> feet FEL/FWL <u>FWL</u>							
11. Field Name: <u>Eaton</u> Field Number: <u>19350</u>							
12. Ground Elevation: <u>4860</u> 13. County: <u>WELD</u>							
14. GPS Data: Date of Measurement: <u>12/10/2010</u> PDOP Reading: <u>6.0</u> Instrument Operator's Name: <u>Thomas Carlson</u>							
15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. Footage at Top of Prod Zone: FNL/FSL <u>658</u> FSL <u>1997</u> FEL/FWL <u>FWL</u> Bottom Hole: FNL/FSL <u>658</u> FSL <u>1997</u> FEL/FWL <u>FWL</u> Sec: <u>32</u> Twp: <u>7N</u> Rng: <u>66W</u> Sec: <u>32</u> Twp: <u>7N</u> Rng: <u>6W</u>							
16. Is location in a high density area? (Rule 603b)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>495 ft</u>							
18. Distance to nearest property line: <u>572 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>919 ft</u>							
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		80	E2SW/4			
Sussex Shannon	SX-SN		80	E2SW/4			

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 R66W

25. Distance to Nearest Mineral Lease Line: _____ 165 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	7,816	525	7,816	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 existin 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

API NUMBER

05 123 33127 00

Permit Number: _____ Expiration Date: 3/10/2013

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
400123234	FORM 2 SUBMITTED
400123246	TOPO MAP
400123249	WELL LOCATION PLAT
400123251	DEVIATED DRILLING PLAN
400127831	MINERAL LEASE MAP
400132827	EXCEPTION LOC WAIVERS
400132831	EXCEPTION LOC REQUEST
400132916	30 DAY NOTICE LETTER

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PDC IS THE LEASE HOLDER FOR ALL OF THE MINERALS IN THE SECTION AND REQUESTS STANDUP 80 ACRE SPACING UNITS. A POOLING DECLARATION IS BEING WORKED INTO THE TITLES CURRENTLY.-L.L. PDC	3/2/2011 10:33:49 AM
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 24-32D closer than 50' from Nelson 14-32D.	3/2/2011 7:46:30 AM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)