

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES	
<b>APPLICATION FOR PERMIT TO:</b>			Document Number: 400141570  Plugging Bond Surety 20010023	
1. <input checked="" type="checkbox"/> <b>Drill,</b> <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate				
2. TYPE OF WELL OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input checked="" type="checkbox"/>			Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>	
3. Name of Operator: <u>K P KAUFFMAN COMPANY INC</u>		4. COGCC Operator Number: <u>46290</u>		
5. Address: <u>1675 BROADWAY, STE 2800</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>				
6. Contact Name: <u>Sherry Glass</u> Phone: <u>(303)425-4822</u> Fax: <u>(303)425-4825</u> Email: <u>sglass@kpk.com</u>				
7. Well Name: <u>Koester</u>		Well Number: <u>18-33-22</u>		
8. Unit Name (if appl): _____		Unit Number: _____		
9. Proposed Total Measured Depth: <u>8146</u>				
<b>WELL LOCATION INFORMATION</b>				
10. QtrQtr: <u>SWNW</u> Sec: <u>33</u> Twp: <u>4N</u> Rng: <u>67W</u> Meridian: <u>6</u> Latitude: <u>40.272143</u> Longitude: <u>-104.902202</u>				
Footage at Surface: <u>1659</u> feet <u>FNL</u> <u>787</u> feet <u>FWL</u> <small style="margin-left: 100px;">FNL/FSL</small> <small style="margin-left: 100px;">FEL/FWL</small>				
11. Field Name: <u>Wattenberg</u>		Field Number: <u>90750</u>		
12. Ground Elevation: <u>4922</u>		13. County: <u>WELD</u>		
14. GPS Data: Date of Measurement: <u>02/03/2011</u> PDOP Reading: <u>6.0</u> Instrument Operator's Name: <u>Kipper Goldsberry</u>				
15. If well is <input type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b> Footage at Top of Prod Zone: <u>2468</u> <u>FNL</u> <u>1320</u> <u>FWL</u> Bottom Hole: <u>2468</u> <u>FNL</u> <u>1320</u> <u>FWL</u> <small style="margin-left: 100px;">FNL/FSL</small> <small style="margin-left: 100px;">FEL/FWL</small> <small style="margin-left: 100px;">FNL/FSL</small> <small style="margin-left: 100px;">FEL/FWL</small> Sec: <u>33</u> Twp: <u>4N</u> Rng: <u>67W</u> Sec: <u>33</u> Twp: <u>4N</u> Rng: <u>67W</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>295 ft</u>				
18. Distance to nearest property line: <u>231 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>49 ft</u>				
20. <b>LEASE, SPACING AND POOLING INFORMATION</b>				
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
J-Sand	JSND	232-23	320	N/2
Niobrara-Codell	NB-CD	407-87	160	S/2NW/4N/2SW/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 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):  
Parts of NW/4 Section 33-T4N-67W

25. Distance to Nearest Mineral Lease Line: 300 ft 26. Total Acres in Lease: 144

**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: \_\_\_\_\_

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	700	420	700	0
1ST	7+7/8	4+1/2	11.5	0	8,146	750	8,146	

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

33. Comments No conductor casing will be used. SUA attached. This is an exception location, waivers attached. Operator requests approval of a Rule 318Aa, Rule 318Ae, and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and the well will be drilled to a 318Ae infill location from outside of a GWA drilling window.

34. Location ID: 332775

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: Sherry Glass

Title: Engineering Tech Date: 6/30/2011 Email: sglass@kpk.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: 7/23/2011

<b>API NUMBER</b> 05 123 34022 00	Permit Number: _____	Expiration Date: <u>7/22/2013</u>
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**CONDITIONS OF APPROVAL, IF ANY:** \_\_\_\_\_

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

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.

Wellhead is to be located outside of a GWA drilling window and well will drill to a 318Ae infill location from a surface location outside of a GWA drilling window. EXCEPTION GRANTED.

- 1) Provide 24 hour notice of MIRU to Bo Brown at e-mail bo.brown@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from TVD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) 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.

**Attachment Check List**

Att Doc Num	Name
400141570	FORM 2 SUBMITTED
400148399	WELL LOCATION PLAT
400148400	TOPO MAP
400148403	EXCEPTION LOC WAIVERS
400148404	SURFACE AGRMT/SURETY
400148405	SURFACE AGRMT/SURETY
400148406	SURFACE AGRMT/SURETY
400179085	CORRESPONDENCE
400179086	PROPOSED SPACING UNIT
400179091	EXCEPTION LOC REQUEST
400181059	30 DAY NOTICE LETTER
400181061	LEASE MAP
400181062	UNIT CONFIGURATION MAP
400181078	DEVIATED DRILLING PLAN

Total Attach: 14 Files

**General Comments**

User Group	Comment	Comment Date
Permit	Operator requests approval of a Rule 318Aa, Rule 318Ae, and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and the well will be drilled to a 318Ae infill location from outside of a GWA drilling window.	7/8/2011 4:43:53 PM

Total: 1 comment(s)

**BMP**

Type	Comment

Total: 0 comment(s)