

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
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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:

400139872

Plugging Bond Surety

20010023

3. Name of Operator: K P KAUFFMAN COMPANY INC 4. COGCC Operator Number: 46290

5. Address: 1675 BROADWAY, STE 2800
 City: DENVER State: CO Zip: 80202

6. Contact Name: Sherry Glass Phone: (303)825-4822 Fax: (303)825-4825
 Email: sglass@kpk.com

7. Well Name: Koester Well Number: 18-33-5

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

9. Proposed Total Measured Depth: 7970

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 33 Twp: 4N Rng: 67W Meridian: 6
 Latitude: 40.272144 Longitude: -104.902378

Footage at Surface: 1660 feet FNL 738 feet FNL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4921 13. County: WELD

14. GPS Data:
 Date of Measurement: 02/03/2011 PDOP Reading: 6.0 Instrument Operator's Name: Kipper Goldsberry

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

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
2127 FNL 558 FWL 2127 FNL 558 FWL
 Sec: 33 Twp: 4N Rng: 67W Sec: 33 Twp: 4N Rng: 67W

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: 248 ft

18. Distance to nearest property line: 184 ft 19. Distance to nearest well permitted/completed in the same formation: 49 ft

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.)
J-Sand	JSND	232-23	320	N/2
Niobrara-Codell	NB-CD	407-87	80	W/2NW/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: 184 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	7,970	700	7,970	

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

33. Comments No conductor casing will be used. SUA and amendments with exhibits are attached. This is an exception location, waivers attached. This location replaces the Deering #5-33-5 for the bottom hole location ONLY, an Abandon Location form 4 will be sent when this permit is submitted. 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.

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 Technician 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. Nashin Director of COGCC Date: 7/23/2011

Permit Number: _____ Expiration Date: 7/22/2013

API NUMBER

05 123 34025 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) 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
400139872	FORM 2 SUBMITTED
400148336	WELL LOCATION PLAT
400148338	TOPO MAP
400148339	SURFACE AGRMT/SURETY
400148341	SURFACE AGRMT/SURETY
400148342	SURFACE AGRMT/SURETY
400148363	EXCEPTION LOC WAIVERS
400148369	WAIVERS
400179114	EXCEPTION LOC REQUEST
400179115	EXCEPTION LOC REQUEST
400181007	DEVIATED DRILLING PLAN
400181025	30 DAY NOTICE LETTER
400181027	LEASE MAP
400181034	CORRESPONDENCE

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location: EXCEPTION GRANTED.	7/8/2011 4:41:52 PM
Permit	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.	7/8/2011 4:35:12 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)