


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: 400139872 Plugging Bond Surety 20010023				
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 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)825-4822</u> Fax: <u>(303)825-4825</u> Email: <u>sglass@kpk.com</u>							
7. Well Name: <u>Koester</u>		Well Number: <u>18-33-5</u>					
8. Unit Name (if appl): _____		Unit Number: _____					
9. Proposed Total Measured Depth: <u>7970</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>SWNW</u> Sec: <u>33</u> Twp: <u>4N</u> Rng: <u>67W</u> Meridian: <u>6</u> Latitude: <u>40.272144</u> Longitude: <u>-104.902378</u>							
Footage at Surface: <u>1660</u> feet FNL/FSL <u>FNL</u> <u>738</u> feet FEL/FWL <u>FWL</u>							
11. Field Name: <u>Wattenberg</u>		Field Number: <u>90750</u>					
12. Ground Elevation: <u>4921</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 checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL <u>2127</u> <u>FNL</u> <u>558</u> <u>FWL</u> <u>2127</u> <u>FNL</u> <u>558</u> <u>FWL</u> 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>248 ft</u>							
18. Distance to nearest property line: <u>184 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>49 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.)			
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. Neslin 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)