

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 Lateral
 SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
 Sidetrack

Document Number:
 1635569
 Plugging Bond Surety
 20030028

3. Name of Operator: SWEPI LP 4. COGCC Operator Number: 78110

5. Address: 4582 S ULSTER ST PKWY #1400
 City: DENVER State: CO Zip: 80237

6. Contact Name: MICHAEL J. BERGSTROM Phone: (303)222-6347 Fax: (303)222-6258
 Email: MICHAEL.BERGSTROM@SHELL.COM

7. Well Name: HERRING DRAW Well Number: 2-9

8. Unit Name (if appl): Williams Fork Unit Number: COC 74956X

9. Proposed Total Measured Depth: 6500

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 9 Twp: 4N Rng: 90W Meridian: 6
 Latitude: 40.328092 Longitude: -107.507794

Footage at Surface: 2090 feet FNL/FSL FSL 2225 feet FEL/FWL FEL

11. Field Name: WADDLE CREEK Field Number: 90450

12. Ground Elevation: 6926 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 03/01/2011 PDOP Reading: 2.5 Instrument Operator's Name: B. HUNTING

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
2305 FNL 2030 FEL 524 FSL 2273 FWL
 Sec: 9 Twp: 4N Rng: 90W Sec: 33 Twp: 5N Rng: 90W

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: 4530 ft

18. Distance to nearest property line: 2042 ft 19. Distance to nearest well permitted/completed in the same formation: 820 ft

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 SHALE	NBRR			

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#: 20030020
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):
PLEASE SEE ATTACHED EXHIBIT AND EXHIBIT B
25. Distance to Nearest Mineral Lease Line: _____ 0 _____ 26. Total Acres in Lease: _____ 4800 _____

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	13+1/2	10+3/4	40.5	0	500	133	500	0
1ST	9+7/8	7+5/8	29.7	0	2,571	58	2,571	1,950
2ND	6+3/4	5+1/2	17	0	6,500	0		

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments THIS IS A SECOND DRILL HOLE AT THE SAME SURFACE LOCATION AS HERRING 1-9. TWO APDS ARE BEING SUBMITTED FOR HERRING 2-9; ONE FOR THE PILOT HOLE AND ONE FOR THE HORIZONTAL HOLE. SEE ATTACHED DRILLING AND COMPLETIONS PLAN FOR FURTHER EXPLANATION. THIS APD IS FOR THE HORIZONTAL HOLE.

34. Location ID: _____ 392134 _____
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: MICHAEL BERGSTROM
Title: SR REGULATORY ADVISOR Date: 4/15/2011 Email: MICHAEL.BERGSTROM@SH

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: 8/2/2011

Permit Number: _____ Expiration Date: 8/1/2013

API NUMBER

05 081 07667 01

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.
- (2) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.
- (3) CEMENT ON PRODUCTION CASING MUST BE AT LEAST 200' ABOVE TOP OF FT. UNION AND COMPLY WITH RULES 209 AND 317.I. SEGREGATE OIL, GAS, AND FRESH-WATER-BEARING ZONES AND PROTECT COAL SEAMS. VERIFY TOP WITH CBL.
- (4) NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT.
- (5) THE SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 00 FEET DEEP.

Before placing oil/salt based muds in the pit, operator must file and receive prior approval of a Pit Permit, Form 15. COGCC regulations regarding pit permits can be found in Rule 903.a.(3). PIT PERMITTING/REPORTING REQUIREMENTS.

Attachment Check List

Att Doc Num	Name
1635569	APD ORIGINAL
1635570	WELL LOCATION PLAT
1635571	TOPO MAP
1635572	MINERAL LEASE MAP
1635573	DEVIATED DRILLING PLAN
1635574	LEGAL/LEASE DESCRIPTION
1635575	DRILLING PLAN
1635576	CORRESPONDENCE
2089449	LEGAL/LEASE DESCRIPTION
2089451	MINERAL LEASE MAP
2112890	CORRESPONDENCE
2112891	FED. DRILLING PERMIT
2112892	DRILLING PLAN
2112893	SURFACE PLAN

Total Attach: 14 Files

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Williams Fork federal unit has been approved	8/1/2011 5:21:36 PM
Permit	Changed top of production footages per Aleta Brown	6/14/2011 10:23:35 AM
Permit	Changed the distance to nearest cultural feature to 4,530' and distance to nearest well to 820'	5/12/2011 12:45:36 PM
Engineer	changed (corrected) top of prod zone section & township (see well plats). Top of production zone is in same section as SHL.	5/11/2011 11:40:52 AM
Permit	Plugging bond added as directed by opr-Michael. sf	5/6/2011 3:08:29 PM
Data Entry	WELL LOCATION INFORMATION: CHECK FOOTAGE AT TOP OF PROD ZONE - SEC, TN, RANGE SIDETRACK ENTERED BY OPERATOR, OMITTED BY DATA ENTRY IN ORDER TO SUBMIT FORM. SEE 1635562 FOR PILOT HOLE CHECK MINERAL OWNERSHIP	5/5/2011 9:39:17 AM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)