

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



DE	ET	OE	ES
Document Number: 400213199			
PluggingBond SuretyID 19980020			

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refilling ☐
Sidetrack ☐

3. Name of Operator: CHESAPEAKE OPERATING INC 4. COGCC Operator Number: 16660
5. Address: P O BOX 18496
City: OKLAHOMA CITY State: OK Zip: 73154-0496
6. Contact Name: SETH SANDERS Phone: (405)935-2567 Fax: (405)849-2567
Email: seth.sanders@chk.com
7. Well Name: KRUSE 24-9-66 Well Number: 1H
8. Unit Name (if appl): _____ Unit Number: _____
9. Proposed Total Measured Depth: 11648

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 24 Twp: 9N Rng: 66W Meridian: 6
Latitude: 40.726043 Longitude: -104.731542

Footage at Surface: 325 feet FNL/FSL 660 feet FEL/FWL
FSL FWL

11. Field Name: WILDCAT Field Number: 99999
12. Ground Elevation: 5179.7 13. County: WELD

14. GPS Data:

Date of Measurement: 10/20/2011 PDOP Reading: 2.2 Instrument Operator's Name: Paul Orme

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

Footage at Top of Prod Zone: FNL/FSL 888 FSL 653 FWL 600 FNL 660 FWL
Bottom Hole: FNL/FSL 600 FNL 660 FWL
Sec: 24 Twp: 9N Rng: 66W Sec: 24 Twp: 9N Rng: 66W

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: 316 ft

18. Distance to nearest property line: 325 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 11035 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	NBRR	535-2	640	ALL

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#: 20000041

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):

ALL Sec. 24-9N-66W

25. Distance to Nearest Mineral Lease Line: 325 ft

26. Total Acres in Lease: 640

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: RELIABLE SERVICES

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
CONDUCTOR	24	16		0	80		80	0
SURF	12+1/4	9+5/8	40#	0	1,400	440	1,400	0
1ST	8+3/4	5+1/2	17#	0	7,002	516	7,002	
1ST LINER	8+3/4	4+1/2	11.6#	7002	11,648	1,124	11,648	

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

33. Comments

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: SETH SANDERS

Title: REGULATORY COMPL. ANALYST Date: 10/10/2011 Email: seth.sanders@chk.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 E. Nesline

Director of COGCC Date: 11/6/2011

API NUMBER

05 123 34672 00

Permit Number: _____ Expiration Date: 11/5/2013

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) Provide 24 hour notice of MIRU to Jim Precup via e-mail at jim.precup@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from the end of the production casing to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from the end of production casing 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
2481243	SURFACE CASING CHECK
400213199	FORM 2 SUBMITTED
400213200	DEVIATED DRILLING PLAN
400213201	DRILLING PLAN
400213202	WELL LOCATION PLAT

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete	11/1/2011 10:16:58 AM
Permit	Corrected surface owner with opr's approval. Ready to pass pending public comment 11/1/11.	10/20/2011 12:59:02 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)