

FORM
2Rev
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:

400216332

PluggingBond SuretyID

20110057

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

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

3. Name of Operator: OVERLAND RESOURCES LLC

4. COGCC Operator Number: 19035

5. Address: 1376 S PERRY PARK RD

City: SEDALIA State: CO Zip: 80135

6. Contact Name: Kallasandra Moran Phone: (303)928-7128 Fax: (303)962-6237

Email: kmoran@petro-fs.com

7. Well Name: Bradbury Well Number: 11-35

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

9. Proposed Total Measured Depth: 7500

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 35 Twp: 4S Rng: 62W Meridian: 6

Latitude: 39.657737 Longitude: -104.287142

Footage at Surface: 2179 feet FNL/FSL 660 feet FEL/FWL
FSL FEL

11. Field Name: Peace Pipe Field Number: 67900

12. Ground Elevation: 5555 13. County: ARAPAHOE

14. GPS Data:

Date of Measurement: 10/05/2011 PDOP Reading: 2.0 Instrument Operator's Name: Chris Boub / PFS

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

Sec: Twp: Rng: Sec: Twp: Rng:

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: 5280 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1538 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.)
D Sand	DSND		160	SE/4
J SAND	JSND	259-3	160	SE/4

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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):

W1/2NW1/4, SE1/2NW1/4, S1/2, Sec. 35, T4S-R62W

25. Distance to Nearest Mineral Lease Line: 457 ft

26. Total Acres in Lease: 440

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	1,340	375	1,340	0
1ST	7+7/8	4+1/2	11.6	0	7,500	350	7,500	1,400

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

33. Comments The location does NOT require a variance from any of the rules listed in Rule 306.d. (1). (A). (ii). The location is NOT in a restricted surface occupancy area. The location is NOT a sensitive wildlife habitat area. No conductor casing will be set.

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: Kallasandra M. Moran

Title: Regulatory Manager

Date: 10/19/2011

Email: kmoran@petro-fs.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: 11/22/2011

API NUMBER

05 005 07176 00

Permit Number: _____ Expiration Date: 11/21/2013

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) Note surface casing setting depth change from 750' to 1340'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

Attachment Check List

Att Doc Num	Name
2508591	SURFACE CASING CHECK
2531343	EXCEPTION LOC REQUEST
400216332	FORM 2 SUBMITTED
400216333	PLAT
400216334	TOPO MAP
400216335	30 DAY NOTICE LETTER
400216422	SURFACE AGRMT/SURETY

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Agency	The operator is requesting an exception under rule 318.c to allow additional J sand completions above the one well per 160 allowed by Cause 259. These additional wells are necessary to fully deplete the different J Sand reservoirs in this quarter section. The operator is also requesting that the well be authorized for completion in the D Sand reservoir and the J Sand even though the completion is 900 feet from another well to be drilled and completed in the same formation(s).	11/22/2011 10:48:46 AM
Permit	No LGD or public comment received; final review completed.	11/18/2011 9:17:06 AM
Permit	Operator has amended their request and may request an exception for the J sand also	10/24/2011 9:01:23 AM
Permit	Operator removed the J sand objective. An exception location request to allow wells less than 1200 feet apart for the D sand is being drafted.	10/21/2011 11:25:45 AM
Permit	On hold- Setbacks for the well violate rule 259-3 for the "J" sand.	10/20/2011 3:26:08 PM
Permit	Returned to draft at operators request.	10/19/2011 2:50:48 PM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.
Site Specific	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Overland Resources will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used by Overland Resources cross through fences on the leased premises.
Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).
Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).
Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.

Total: 6 comment(s)