

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:

400222082

PluggingBond SuretyID

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☐ COALBED ☐ OTHER Water Injection Well
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: DEJOUR ENERGY (USA) CORPORATION

4. COGCC Operator Number: 10301

5. Address: 1401 17TH STREET #1000

City: DENVER State: CO Zip: 80202

6. Contact Name: Gary Haeefe Phone: (303)296-3535 Fax: (303)296-3888

Email: ghaeefe@dejour.com

7. Well Name: PWD Federal Well Number: 21-6-91

8. Unit Name (if appl): N/A Unit Number: N/A

9. Proposed Total Measured Depth: 9054

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 21 Twp: 6S Rng: 91W Meridian: 6

Latitude: 39.508541 Longitude: -107.556063

Footage at Surface: 791 feet FNL/FSL 1782 feet FEL/FWL FEL

11. Field Name: Kokopelli Field Number: 47525

12. Ground Elevation: 7009.5 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 04/12/2010 PDOP Reading: 3.0 Instrument Operator's Name: Kyle Tesky

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

Footage at Top of Prod Zone: FNL/FSL 657 FSL 2668 FEL/FWL FEL Bottom Hole: FNL/FSL 657 FSL 2668 FEL/FWL FEL
Sec: 21 Twp: 6S Rng: 91W Sec: 21 Twp: 6S Rng: 91W

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: 4854 ft

18. Distance to nearest property line: 448 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 700 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.)
Iles	ILES	191-70		
Williams Fork	WMFK	191-70		

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC66370

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):

T6S, R91W, 6th PM; Sec 21: E2NE, SESW, SWSE; Sec 22: SWNW, W2SW, SESW; Sec 25: SWSW; Sec 26: S2.

25. Distance to Nearest Mineral Lease Line: 657 ft 26. Total Acres in Lease: 680

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
CONDUCTOR	18+0/0	14+0/0	54	0	80	100	80	0
SURF	12+1/4	8+5/8	24	0	1,500	800	1,500	0
1ST	7+7/8	4+1/2	11.6	1300	9,050	665	9,050	1,300

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

33. Comments Air drilling may be required to set surface casing. The well is deviated to put the well bore in the center of the lease at the injection zone thus maximizing the distance to lease lines in all directions. forms 31 and 33 have been mailed to COGCC separately from this filing. Surface above the injection well BHL is also leased (federal lease #66370).

34. Location ID: 426533

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: Gary Haeefe

Title: Operations Manager Date: 12/8/2011 Email: ghaeefe@dejour.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: 1/6/2012

API NUMBER

05 045 21277 00

Permit Number: _____ Expiration Date: 1/5/2014

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) GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.

(3) NEW MAMM CREEK FIELD NOTICE TO OPERATORS APPLIES TO THIS WELL. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.

(4) COMPLIANCE WITH THE NOTICE TO OPERATORS DRILLING WELLS IN THE BUZZARD, MAMM CREEK, AND RULISON FIELDS, GARFIELD COUNTY AND MESA COUNTY – PROCEDURES AND SUBMITTAL REQUIREMENTS FOR COMPLIANCE WITH COGCC ORDER NOS. 1-107, 139-56, 191-22, AND 369-2 (JULY 8, 2010) -- IS REQUIRED. SEE ATTACHED NOTICE.

(5) APPROVAL OF THIS FORM DOES NOT AUTHORIZE INJECTION. AUTHORIZATION TO INJECT REQUIRES APPROVAL OF FORM 31 AND FORM 33.

(6) 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.

(7) 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 160 FEET DEEP.

Attachment Check List

Att Doc Num	Name
2537695	WELL LOCATION PLAT
400222082	FORM 2 SUBMITTED
400230767	WELL LOCATION PLAT
400230768	DEVIATED DRILLING PLAN

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD/public comments waived. Final Comprehensive Review Status--passed.	1/3/2012 8:10:34 AM
Permit	off hold--oper. emailed corrected plat for BHL. corrected dist. to nearest well to 700', dist. to nearest min. lease to 657', added ILES fm. tab spacing order 191-70 per oper.'s emailed instructions. also added comment about surface ownership above the BHL.	12/13/2011 2:23:29 PM
Permit	on hold--attached plat mistakenly lists proposed BHL as SHL for lat/long., dist. to nearest well 700', not 1800', disagree w/ dist. to nearest min. lease, added ILES formation tab and spacing order 191-70	12/13/2011 8:01:13 AM
Permit	Operator answered #23, 34, and 36. This form has passed completeness.	12/12/2011 9:37:29 AM
Permit	Returned to draft. Missing #23, 34, 36	12/9/2011 7:57:18 AM

Total: 5 comment(s)

BMP

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

Total: 0 comment(s)