

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

Document Number:
400238487
PluggingBond SuretyID
20090078

3. Name of Operator: PETROLEUM DEVELOPMENT CORPORATION 4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000
City: DENVER State: CO Zip: 80203

6. Contact Name: Liz Lindow Phone: (303)831-3974 Fax: ()
Email: llindow@petd.com

7. Well Name: Carmichael Well Number: 26M-223

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

9. Proposed Total Measured Depth: 11398

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 26 Twp: 7N Rng: 63W Meridian: 6
Latitude: 40.551940 Longitude: -104.397980

Footage at Surface: _____ feet FNL/FSL _____ feet FEL/FWL
100 FNL 1150 FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4769 13. County: WELD

14. GPS Data:

Date of Measurement: 11/09/2011 PDOP Reading: 2.9 Instrument Operator's Name: Adam Kelly

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
825 FNL 2438 FEL 500 FSL 2438 FEL
Sec: 26 Twp: 7N Rng: 63W Sec: 26 Twp: 7N Rng: 63W

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: 1106 ft

18. Distance to nearest property line: 100 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 650 ft

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		320	GWA

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):

E/2 T7N R63W Sec 26

25. Distance to Nearest Mineral Lease Line: 198 ft 26. Total Acres in Lease: 320

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: closed loop

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	9+5/8	36	0	875	730	873	0
1ST	8+3/4	7+0/0	26	0	7,292	650	7,292	600
1ST LINER	6+1/8	4+1/2	11.6	6086	11,398			

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

33. Comments Conductor casing will not be used. Operator requests an exception location per rule 318Aa and rule 318Ac and 603ab: well will not be drilled in a legal drilling window or twinned with an existing well and within 150' of the nearest property line. Waviers attached. Per rule 318Ae, the Operator requests the proposed spacing unit consisting of 320 acres, E/2W/2 and W/2E/2 of Sec 26 T7N R63W. Proposed spacing unit map and 30-day certificate is attached. This was formerly named Carmichael 26-NS3(E)-HZ-NB.

34. Location ID: 426494

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: Liz Lindow

Title: Permit Representative Date: 1/11/2012 Email: llindow@petd.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: 2/17/2012

API NUMBER
05 123 35113 00

Permit Number: _____ Expiration Date: 2/16/2014

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) Provide 48 hour notice of MIRU to COGCC inspector John Montoya by e-mail at John.Montoya@state.co.us. Indicate Spud Notice in the subject line and provide the following information: Operator Name, Well Name and Number, API #, Spud Date, Contact Name, Contact Phone #, Email Address.
- 2) Provide cement coverage from base of intermediate casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) 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.

Operator must meet water well sampling requirements as per Rule 318A.

Attachment Check List

Att Doc Num	Name
400238487	FORM 2 SUBMITTED
400239510	DEVIATED DRILLING PLAN
400239515	WELL LOCATION PLAT
400239516	TOPO MAP
400239522	30 DAY NOTICE LETTER
400239524	EXCEPTION LOC WAIVERS
400239525	EXCEPTION LOC WAIVERS
400239566	PROPOSED SPACING UNIT
400239570	EXCEPTION LOC REQUEST

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No spacing order number is required. The W/2 of the section will be spaced in March. PDC stated that it has given 30 notice to all affected.	2/9/2012 7:12:45 AM
Permit	On hold - Waiting on spacing order number	1/23/2012 6:26:13 AM
Permit	Operator corrected QtrQtr. This form has passed completeness.	1/11/2012 12:15:45 PM
Permit	Returned to draft. Incorrect QtrQtr	1/11/2012 12:01:40 PM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)