

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: 400242578 | | | |
| PluggingBond SuretyID 20090080 | | | |

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: GREAT WESTERN OIL & GAS COMPANY LLC

4. COGCC Operator Number: 10110

5. Address: 700 AUTOMATION DR - UNIT A

City: WINDSOR State: CO Zip: 80550-3119

6. Contact Name: Janni Keidel Phone: (303)398-0388 Fax: (866)742-1784

Email: jkeidel@gwogco.com

7. Well Name: Raindance Well Number: 30-34

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

9. Proposed Total Measured Depth: 7664

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 30 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.451200 Longitude: -104.928590

Footage at Surface: 188 feet FNL/FSL 580 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4985 13. County: WELD

14. GPS Data:

Date of Measurement: 12/28/2011 PDOP Reading: 2.2 Instrument Operator's Name: C. Vanmatre

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

Footage at Top of Prod Zone: FNL/FSL 647 FSL 1854 FEL FEL Bottom Hole: FNL/FSL 647 FSL 1854 FEL FEL
Sec: 30 Twp: 6N Rng: 67W Sec: 30 Twp: 6N Rng: 67W

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: 620 ft

18. Distance to nearest property line: 188 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2732 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-Codell | NB-CD | 407-87 | 160 | S/2SE/4 |

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):

Lease map for Rec #3776517, Sec. 30: SE/4, Lot 1 (80.00) aka E/2SW/4 and Lot 2 (74.00) aka W/2SW/4 (also described as S/2), LESS a 2.57 acre parcel conveyed to the Town of Windsor in Rec. # 1781453 of the Weld County Records. Great Western owns the mineral rights.

25. Distance to Nearest Mineral Lease Line: 647 ft

26. Total Acres in Lease: 311

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 | 850 | 500 | 850 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 7,664 | 267 | 7,664 | 6,871 |

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

33. Comments A total of 4 wells will be drilled from this location: Raindance 30-24 (Doc#400240934), Raindance 30-14 (Doc#400241384), Raindance 30-13 (Doc #400241468). Surface Exception Waiver letter has been executed without protest from surface owner, and submitted with this permit for approval. Great Western Oil & Gas owns the mineral rights. Conductor casing will not be set on the 4 wells. Production Casing cement will be minimum 200' above the Niobrara on all wells.

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: Janni Keidel

Title: Permit/Reg Analyst

Date: 1/21/2012

Email: jkeidel@gwogco.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: 2/26/2012

API NUMBER

05 123 35169 00

Permit Number: _____ Expiration Date: 2/25/2014

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.

Operator must meet water well testing requirements per Rule 318A.

- 1) Note surface casing setting depth change from 600' to 850'. Increase cement coverage accordingly.
- 2) Provide 24 hour notice of MIRU to COGCC inspector Jim Precup via e-mail at james.precup@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 #, E-mail Address.
- 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.
- 4) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to 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 |
|-------------|------------------------|
| 1694669 | EXCEPTION LOC REQUEST |
| 400242578 | FORM 2 SUBMITTED |
| 400242795 | SURFACE AGRMT/SURETY |
| 400243628 | WELL LOCATION PLAT |
| 400243629 | TOPO MAP |
| 400243630 | DEVIATED DRILLING PLAN |
| 400243632 | DIRECTIONAL DATA |
| 400243901 | EXCEPTION LOC WAIVERS |
| 400243904 | MINERAL LEASE MAP |

Total Attach: 9 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 2/21/2012 11:10:55 AM |
| Permit | Road originally noted on location drawing 188' south of pad is private road with gates at each end. See correspondence. distance to road changed back to 620'. OK to pass 2/20/12. | 2/10/2012 1:42:21 PM |
| Permit | ON HOLD: rig height is given as 136'. wellhead 188' from county road. changed distance from road from 620' to 188' per location drawing. | 2/9/2012 3:54:21 PM |
| Permit | ON HOLD: w/o form 2A. Requesting rig height. | 1/27/2012 3:42:53 PM |
| Permit | Operator requests approval of a Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window. Request and Waiver attached. | 1/27/2012 3:42:40 PM |

Total: 5 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)