

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



Document Number:

400249080

Date Received:

02/09/2012

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: Gregory Pandolfo Phone: (303)800-6175 Fax: (303)385-0690

Email: greg@overlandresourcesllc.com

7. Well Name: Handke Well Number: 4

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

9. Proposed Total Measured Depth: 8134

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 10 Twp: 3S Rng: 64W Meridian: 6

Latitude: 39.802230 Longitude: -104.534170

Footage at Surface: 1983 feet FNL/FSL 1984 feet FEL/FWL  
FSL FEL

11. Field Name: Sonar Field Number: 77635

12. Ground Elevation: 5444.55 13. County: ADAMS

14. GPS Data:

Date of Measurement: 01/24/2011 PDOP Reading: 2.5 Instrument Operator's Name: Keith Westfall

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  
1286 FSL 1723 FEL 1286 FSL 1723 FEL  
Sec: 10 Twp: 3S Rng: 64W Sec: 10 Twp: 3S Rng: 64W

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: 1984 ft

18. Distance to nearest property line: 671 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 775 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		40	
J-Sand	JSND		40	

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#: 20120010

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):

SE/4 10 3S 64W 6PM

25. Distance to Nearest Mineral Lease Line: 909 ft

26. Total Acres in Lease: 160

### 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	1,770	150	1,770	0
1ST	7+7/8	4+1/2	11.6	0	8,134	200	8,134	7,800

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: Gregory Pandolfo

Title: Manager Date: 2/9/2012 Email: greg@overlandresourcesllc.co

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:  Director of COGCC Date: 4/2/2012

#### API NUMBER

05 001 09745 00

Permit Number: \_\_\_\_\_ Expiration Date: 4/1/2014

#### 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.

LGD comment received; final review completed.

- 1) Note surface casing setting depth change from 212' to 1770'. Increase cement coverage accordingly.
- 2) Provide 24 hour notice of MIRU to COGCC inspector Mike Hickey via e-mail at Mike.Hickey@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. If well spud after April 1, 2012 submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 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.

This is in the NWSE

### **Attachment Check List**

Att Doc Num	Name
2532128	EXCEPTION LOC REQUEST
400249080	FORM 2 SUBMITTED
400249104	PLAT
400249169	DEVIATED DRILLING PLAN
400251880	DIRECTIONAL DATA

Total Attach: 5 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Changed distance to property line, distance to road, distance to another well, lease description, distance to mineral lease and land spreading per operator	3/29/2012 2:52:08 PM
Permit	On hold - Many errors in various fields.	3/29/2012 11:03:36 AM
LGD	<p>The City of Aurora would like to begin a discussion with the COGCC and the operators on how best to harmonize drilling operations with city land use planning. With that in mind, we offer the following comments:</p> <ul style="list-style-type: none"><li>- Require a Road Mangement Plan including a haul route map and access from COA roads. A traffic impact report may be required based on the routes.</li><li>- Require an Emergency Resonse Plan with coordination between the Bennett Fire Protection District and COA Fire Department.</li><li>- Recommend (not require) that Best Management Practices be utilized such as Closed Loop Systems and Baseline Water Quality Planning.</li></ul>	3/5/2012 1:33:29 PM
Permit	Exception Request revised.	2/17/2012 3:06:11 PM
Permit	On hold - The exception request should state that its an exception request to Rule 318a which requires a minimum distance of 1200 feet between wells producing from same formations. This well is 775 feet from the Handke 4 which is in violation of the statewide setbackrule 318a. The Handke 4 has an exception location request attached.	2/17/2012 6:58:25 AM
Permit	Operator corrected surface and minerals, #36, and directional template. Need to verify SHL. This form has passed completeness.	2/16/2012 1:42:27 PM
Permit	Returned to draft. Invalid surface and minerals, missing #36, lat long does not match SHL, and directional template not uploaded.	2/10/2012 9:17:43 AM

Total: 7 comment(s)

## **BMP**

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Endeavor to comply with oil and gas industry BMPs in addition to applicable state, county and federal regulations.

Total: 1 comment(s)