

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400236320

Date Received:

04/13/2012

PluggingBond SuretyID

20010023

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: K P KAUFFMAN COMPANY INC

4. COGCC Operator Number: 46290

5. Address: 1675 BROADWAY, STE 2800

City: DENVER State: CO Zip: 80202

6. Contact Name: Susana Lara-Mesa Phone: (303)825-4822 Fax: (303)825-4825

Email: slaramesa@kpk.com

7. Well Name: WETCO FARMS

Well Number: 1-10-27

8. Unit Name (if appl):

Unit Number:

9. Proposed Total Measured Depth: 7874

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 10 Twp: 4N Rng: 66W Meridian: 6

Latitude: 40.332106

Longitude: -104.755921

Footage at Surface: 570 feet FNL/FSL 513 feet FEL/FWL
 FNL FEL

11. Field Name: WATTENBERG

Field Number: 90750

12. Ground Elevation: 4716

13. County: WELD

14. GPS Data:

Date of Measurement: 12/21/2011 PDOP Reading: 1.4 Instrument Operator's Name: Joe Pusey

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
 160 FNL 1172 FEL 160 FNL 1172 FEL
 Sec: 10 Twp: 4N Rng: 66W Sec: 10 Twp: 4N Rng: 66W

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: 324 ft

18. Distance to nearest property line: 500 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 50 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.)
J SAND	JSND	GWA	160	GWA
NIOBRARA-CODELL	NB-CD	GWA	160	GWA

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):

NE/4 SECTION 10-T4N-R66W

25. Distance to Nearest Mineral Lease Line: 160 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	410	325	410	0
1ST	7+7/8	4+1/2	11.5	0	7,874	400	7,874	0

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

33. Comments NO CONDUCTOR CASING WILL BE USED. TWINNED MATSUSHIMA #2-6X, API#05-123-23517. FORMERLY WETCO FARMS #10-41-A1. PROPOSED SPACING UNIT: 3:S/2SE/4 10:N/2NE/4. No new Form 2A required.

34. Location ID: 409986

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: Susana Lara-Mesa

Title: Engineering Project Mgr Date: 4/13/2012 Email: slaramesa@kpk.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 5/10/2012

API NUMBER

05 123 24786 00

Permit Number: _____ Expiration Date: 5/9/2014

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 as per amended Rule 318Ae(4)

- 1) Provide 48 hour notice of MIRU via an electronic Form 42.
- 2) Comply with Rule 317.i and provide cement coverage from the end of the production casing to a minimum of 200' above the Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with a cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from the TD to surface. 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
2481542	SURFACE CASING CHECK
400236320	FORM 2 SUBMITTED
400272120	LEASE MAP
400272122	30 DAY NOTICE LETTER
400272124	WELL LOCATION PLAT
400272125	TOPO MAP
400272127	PROPOSED SPACING UNIT

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	4/26/2012 8:42:48 AM
Permit	Ready to pass pending public comment 5/7/12.	4/16/2012 10:51:03 AM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)