

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:

400262311

Date Received:

03/16/2012

PluggingBond SuretyID

20090078

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: 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: Spaur Well Number: 31V-404

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

9. Proposed Total Measured Depth: 11283

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 31 Twp: 7N Rng: 63W Meridian: 6

Latitude: 40.533960 Longitude: -104.471230

Footage at Surface: 1294 feet FNL/FSL 250 feet FEL/FWL
 FNL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4757 13. County: WELD

14. GPS Data:

Date of Measurement: 02/16/2012 PDOP Reading: 1.9 Instrument Operator's Name: Wyatt Hall

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
 1250 FNL 500 FEL 1250 FNL 500 FWL
 Sec: 31 Twp: 7N Rng: 63W Sec: 31 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: 253 ft

18. Distance to nearest property line: 250 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 271 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.)
Codell	CODL		320	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#: 1999008623a. 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):

N/2 of Section 31 T7N R63W, 6th PM

25. Distance to Nearest Mineral Lease Line: 500 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	875	0
1ST	8+3/4	7+0/0	26	0	7,384	650	7,384	0
1ST LINER	6+1/8	4+1/2	11.6	6185	11,283			

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: well will not be drilled in a legal drilling window or twinned with an existing well. Waviers attached. Per rule 318Ae, the Operator requests the proposed spacing unit consisting of 320 acres, N2 of Sec 31 T7N R63W. Proposed spacing unit map and 30-day certificate is attached. Distance to nearest permitted well was measured to the Spaur 31V-204 (API 5-123-34596) wellbore in the Niobrara formation.

34. Location ID: 426149

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: 3/16/2012

Email: llindow@petd.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 35546 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 sampling requirements as per Rule 318A.

- 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. 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
2481501	SURFACE CASING CHECK
400262311	FORM 2 SUBMITTED
400262316	DIRECTIONAL DATA
400262317	DEVIATED DRILLING PLAN
400262319	WELL LOCATION PLAT
400262320	TOPO MAP
400262321	30 DAY NOTICE LETTER
400262322	EXCEPTION LOC REQUEST
400262323	EXCEPTION LOC WAIVERS
400262328	PROPOSED SPACING UNIT

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Operator revised permit to include the Frac monitoring BMP to address the 206 feet between Niob. and Codell horizontal laterals.	4/20/2012 3:49:03 PM
Permit	This horizontal Codell well will be drilled directly below and parallel to the Petroleum Development Corp., Spaur 31V-204 horizontal Niobrara well. The vertical distance between the horizontal portions of these 2 wells will be approximately 206 feet.	4/19/2012 7:32:13 AM
Permit	Sundry 2331885 recomplete approved.	4/17/2012 7:13:52 AM
Permit	The 41-31H is becoming the 31V-204 and the objective is only the Niobrara. Revised on sundry 2331885. No intra-well exception letter needed.	4/12/2012 8:18:39 AM
Permit	Operator input plugging bond. This form has passes completeness.	3/21/2012 11:58:36 AM
Permit	Returned to draft. Missing plugging bond.	3/19/2012 7:38:40 AM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<p>Wellbore Fracturing Stimulation</p> <ol style="list-style-type: none">1. At least seven (7) days prior to fracture stimulation, the operator is to notify all operators of non-operated wells within 300 feet of the wellbore to be fracture stimulated of the anticipated stimulation date and the recommended best management practice to shut-in all wells within 300' of the stimulated wellbore completed in the same formation.2. The operator will monitor the bradenhead pressure of all wells within 300 feet of the well to be fracture stimulated.3. Bradenhead pressure gauges are to be installed 24 hours prior to stimulation. The gauges are to read at least once during every 24-hour period until 24-hours after stimulation is completed (post flowback). The gauges are to be of the type able to read current pressure and record the maximum encountered pressure in a 24-hour period. The gauge is to be reset between each 24-hour period. The pressures are to be recorded and saved. Alternate electronic measurement may be used to record the prescribed pressures. Data shall be kept for a period of one year.4. If at any time during stimulation or the 24-hour post-stimulation period, the bradenhead annulus pressure of the treatment well or offset wells increases more than 200 psig, as per Rule 341, the operator of the well being stimulated shall verbally notify the Director as soon as practicable, but no later than twenty-four (24) hours following the incident. Within fifteen (15) days after the occurrence, the operator shall submit a Sundry Notice, Form 4, giving all details, including corrective actions taken.

Total: 1 comment(s)