

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:

400256485

Date Received:

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER LATERAL
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

PluggingBond SuretyID

20030028

3. Name of Operator: SWEPI LP

4. COGCC Operator Number: 78110

5. Address: 4582 S ULSTER ST PKWY #1400

City: DENVER State: CO Zip: 80237

6. Contact Name: Michael L. Bergstrom Phone: (303)222-6347 Fax: (303)222-6258

Email: Michael.Bergstrom@shell.com

7. Well Name: Freeman Well Number: 3-24

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

9. Proposed Total Measured Depth: 10553

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 24 Twp: 27S Rng: 69W Meridian: 6

Latitude: 37.684831 Longitude: -105.067631

Footage at Surface: 2105 feet FNL/FSL FSL 536 feet FEL/FWL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 7070 13. County: HUERFANO

14. GPS Data:

Date of Measurement: 01/17/2012 PDOP Reading: 2.0 Instrument Operator's Name: J.H. (Uintah Surveying)

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

Footage at Top of Prod Zone: FNL/FSL 3104 FSL 500 FWL 1760 Bottom Hole: FNL/FSL 1760 FSL 230 FWL 230
Sec: 24 Twp: 27S Rng: 69W Sec: 13 Twp: 27S Rng: 69W

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: 499 ft

18. Distance to nearest property line: 529 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3400 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	NBRR			

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#: 20030020

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):

Please see attached mineral lease map and description.

25. Distance to Nearest Mineral Lease Line: 510 ft

26. Total Acres in Lease: 1330

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
CONDUCTOR	30	20		0	90	175	90	0
SURF	17+1/2	13+3/8	54.5	0	815	496	815	0
1ST	12+1/4	9+5/8	36	0	2,959	521	2,959	500
2ND	8+3/4	7	26	0	6,471	475	6,471	2,000
1ST LINER	6+1/8	4+1/2	11.6	6371	10,553	0		

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

33. Comments Two APDs are being submitted for Freeman 3-24; one for the pilot hole and one for the lateral hole. This APD is for the lateral hole. Attachments include a drilling and completion plan. Distance to the nearest well in same formation is greater than 5280 feet.

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: Michael Bergstrom

Title: Senior Regulatory Advisor

Date: _____

Email: michael.bergstrom@shell.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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400271142	DIRECTIONAL DATA
400271538	PLAT
400271546	MINERAL LEASE MAP
400283868	DEVIATED DRILLING PLAN
400286294	TOPO MAP

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Storm Water/Erosion Control	<p>Stormwater Management Plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil and Gas Conservation Commission (COGCC) stormwater discharge permits. The construction layout for Freeman 3-24 details Best Management Practices (BMP) to be installed during initial construction. Note that BMPs may be removed, altered, or replaced with changing conditions in the field and the SWMP will be updated accordingly. The BMPs prescribed for the initial construction phase include, but are not limited to</p> <ul style="list-style-type: none"> • Construction diversion ditch • Sediment reservoirs • Check dams • Level spreaders • Stabilized construction entrance • Slash • Sediment trap • Wattle • Terrace • Secondary containment berms • Detention ponds
Material Handling and Spill Prevention	<p>Spill Prevention Control & Countermeasure Plans (SPCC) are in place to address material releases and to prescribe materials handling BMPs for the facility. "Good house-keeping" measures will be taken to ensure proper waste disposal.</p>

Total: 2 comment(s)