

FORM  
2

Rev  
12/05

# State of Colorado Oil and Gas Conservation Commission

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Document Number:

400272164

Date Received:

05/18/2012

## APPLICATION FOR PERMIT TO:

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

### 2. TYPE OF WELL

OIL  GAS  COALBED  OTHER PILOT  
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 Bergstrom Phone: (303)222-6347 Fax: (303)222-6258

Email: michael.bergstrom@shell.com

7. Well Name: State Well Number: 2-36

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

9. Proposed Total Measured Depth: 8300

## WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 36 Twp: 26S Rng: 70W Meridian: 6

Latitude: 37.750078 Longitude: -105.169544

Footage at Surface: 1201 feet FNL/FSL FNL 2667 feet FEL/FWL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 7132 13. County: HUERFANO

### 14. GPS Data:

Date of Measurement: 01/13/2012 PDOP Reading: 2.8 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 \_\_\_\_\_ FEL/FWL \_\_\_\_\_ Bottom Hole: FNL/FSL \_\_\_\_\_ FEL/FWL \_\_\_\_\_

Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

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: 843 ft

18. Distance to nearest property line: 1205 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1 mi

## 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 #: 9721.8

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):

Please see Mineral Lease Map attachment for a mineral lease description and map. This attachment includes mineral lease information relevant to the lateral wellbore. This APD is for the pilot hole. The pilot hole for this well is located on State mineral ownership.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 1080

### 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	4,112	724	4,112	500
OPEN HOLE	8+3/4			0	8,233			

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

33. Comments Two APDs are being submitted for State 2-36; one for a pilot hole and one for a lateral hole. This APD is for the pilot hole. Attachments include a Wellbore Diagram and Drilling and Completion Plan. The distance to nearest well in the same formation is greater than one mile.

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: 5/18/2012 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
400272164	FORM 2 SUBMITTED
400272165	TOPO MAP
400280122	PLAT
400283430	MINERAL LEASE MAP
400284604	DRILLING PLAN

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 this well 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"> <li>• Construction diversion ditch</li> <li>• Sediment reservoirs</li> <li>• Check dams</li> <li>• Level spreaders</li> <li>• Stabilized construction entrance</li> <li>• Slash</li> <li>• Sediment trap</li> <li>• Wattle</li> <li>• Terrace</li> <li>• Secondary containment berms</li> <li>• Detention ponds</li> </ul>
Material Handling and Spill Prevention	<p>Spill Prevention Control &amp; 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)