

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:

2332276

Date Received:

04/16/2012

PluggingBond SuretyID

20100141

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: DUNNING* CHARLES P

4. COGCC Operator Number: 200077

5. Address: PO BOX 1365

City: FORT MORGAN State: CO Zip: 80701

6. Contact Name: CHUCK DUNNING Phone: (303)408-2575 Fax: ()

Email: CHUCK.DUNNING@ME.COM

7. Well Name: IKEY Well Number: 1

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

9. Proposed Total Measured Depth: 5760

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 33 Twp: 3S Rng: 58W Meridian: 6

Latitude: 39.746550 Longitude: -103.872160

Footage at Surface: 2269 feet FNL/FSL 601 feet FEL/FWL FEL

11. Field Name: ROMAN NOSE NORTH Field Number: 74604

12. Ground Elevation: 4890 13. County: ADAMS

14. GPS Data:

Date of Measurement: 04/11/2012 PDOP Reading: 2.7 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 _____

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: 4105 ft

18. Distance to nearest property line: 601 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1805 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		40	NESE

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#: _____

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):

Section 33: all 3S/58W and other lands

25. Distance to Nearest Mineral Lease Line: 601 ft

26. Total Acres in Lease: 1280

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: LAND SPREADING

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	560	100	560	0
1ST	7+7/8	5+1/2	14.5	0	5,760	150	5,765	200

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

33. Comments

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: CHUCK DUNNING

Title: OWNER/OPERATOR Date: 4/12/2012 Email: CHUCK.DUNNING@ME.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: 5/23/2012

API NUMBER

05 001 09750 00

Permit Number: _____ Expiration Date: 5/22/2014

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.

- 1) Note surface casing setting depth change from 110' to 560'. Increase cement coverage accordingly.
- 2) 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 Jsand. Verify coverage with cement bond log.
- 4) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to 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
2332276	FORM 2 SUBMITTED
2532276	WELL LOCATION PLAT
2532278	SURFACE AGRMT/SURETY

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No public comment received. LGD comment received; final review completed.	5/23/2012 2:44:03 PM
Permit	Mud disposal question answered.	5/23/2012 2:42:43 PM
Permit	Lease description revised per operator.	5/22/2012 9:42:47 AM
Permit	Well location is less than 1200 feet from another well producing from the same formation. Wells must be a minimum of 1200 feet apart if drilled deeper than 2500' per Rule 318a. Updated permit with exception location request to rule 318a.	5/15/2012 1:39:10 PM
LGD	Adams County will approve all access point locations. G. Stevens	5/1/2012 6:25:01 AM
Permit	Signed SUA attached to permit.	4/30/2012 7:21:16 AM
Permit	Waiting on method of onsite mud disposal.	4/30/2012 7:13:32 AM
Permit	Operator was informed they need a surface bond or an SUA to get this well in process. Operator has indicated that they will attempt to get a surface agreement.	4/18/2012 8:11:05 AM

Total: 8 comment(s)

BMP

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

Total: 0 comment(s)