

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:

400305467

Date Received:

07/16/2012

PluggingBond SuretyID

20090106

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☐ COALBED ☐ OTHER ☐ Gas Storage ☐  
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: EAST CHEYENNE GAS STORAGE LLC

4. COGCC Operator Number: 10322

5. Address: 10901 WEST TOLLER DRIVE - SUITE 200

City: LITTLETON State: CO Zip: 80127

6. Contact Name: Greg Francis Phone: (720)351-4003 Fax: (720)351-4200

Email: gfrancis@mehllc.com

7. Well Name: ECGS Well Number: 31-7 WPD005-1

8. Unit Name (if appl): N/A Unit Number: N/A

9. Proposed Total Measured Depth: 5250

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 31 Twp: 12N Rng: 52W Meridian: 6

Latitude: 40.966620 Longitude: -103.221030

Footage at Surface: 1065 feet FNL/FSL FSL 2185 feet FEL/FWL FWL

11. Field Name: Peetz West Field Number: 68300

12. Ground Elevation: 4543 13. County: LOGAN

14. GPS Data:

Date of Measurement: 03/27/2012 PDOP Reading: 1.3 Instrument Operator's Name: Darren Veal

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: 1065 ft

18. Distance to nearest property line: 308 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 80 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.)
Dakota D	DSND			

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):

SW1/4 SEC 31 T12N R52W

25. Distance to Nearest Mineral Lease Line: 308 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	13+1/4	9+5/8	36	0	1,200	468	1,200	0
S.C. 1.1	8+3/4	7+0/0	26	0	5,250	40	5,250	4,840
S.C. 2.1	8+3/4	7+0/0	26	0	5,250	50	4,840	4,440

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

33. Comments Form 2 is being submitted under the COGCC pemitting guidelines dated may 27,2010. The document is entitled "East Cheyenne West Peetz Field Gas Storage Project Permitting & Reporting Requirements".Well will be drilled as a gas storage injection-withdrawal well.

34. Location ID: 389117

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: Greg Francis

Title: Project geologist Date: 7/16/2012 Email: gfrancis@mehllc.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
400305467	FORM 2 SUBMITTED
400305857	TOPO MAP
400305860	LOCATION PICTURES
400305865	WELL LOCATION PLAT
400306451	OTHER

Total Attach: 5 Files

### General Comments

User Group	Comment	Comment Date

Total: 0 comment(s)

## BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<p>East Cheyenne Gas Storage Best Management Practices &amp; Procedures East Cheyenne Gas Storage, LLC will utilize the following "Best Management Practices" (BMP) where appropriate to prevent or reduce the impacts caused by gas and oil operations.</p> <ol style="list-style-type: none"> <li>1) When building new well sites, limit the surface area to be disturbed to that which is required. When a new well is drilled and put on production, reclaim the unneeded well pad area to reduce the disturbed surface area and allow the landowners to use it for agriculture.</li> <li>2) When a previously plugged well is re-entered to re-plug all abandoned production zones, abandoned well in such a manner so as to minimize any surface disturbance. No dry hole marker monument is to be used and well location is to be restored to previous grade.</li> <li>3) Return the land surface to pre-used condition by reforming the surface to match the surrounding area including: terracing, drainage replacement, drainage repair, and the re-seeding in a manner that is specified by the land use agreement or surface owner.</li> <li>4) Spray location to control noxious weeds annually.</li> <li>5) Inspect facilities for erosion and install erosion controls where required.</li> <li>6) Utilize existing roads as much as possible and build new roads to minimize land disturbance area.</li> <li>7) Fill drill site pits within 120 days after completion of well and subject to pit fluid levels, pit moisture, and weather.</li> <li>8) Hydrocarbon storage tanks are to be surrounded by impermeable berms to prevent spills from escaping off-site.</li> <li>9) Open top tanks and unattended pits that may contain hydrocarbons will be fenced and coved with nets to protect fowl and animals.</li> <li>10) Procedural plans are in place to prevent, control and cleanup hydrocarbon spills.</li> </ol> <p>Note: FERC Docket CP10-34-000 &amp; PF09-12-000 cover the following general aspects of the East Cheyenne Gas Storage Project. Other filed documents with more detail are available for review.</p> <ol style="list-style-type: none"> <li>1.1 Purpose and Need 1-6</li> <li>1.2 Proposed Facilities 1-7 <ol style="list-style-type: none"> <li>1.2.1 Storage Facility 1-14</li> <li>1.2.2 Compressor Station Facilities 1-18</li> <li>1.2.3 Pipeline 1-19</li> <li>1.2.4 Gas measurement 1-21</li> <li>1.2.5 Support Areas for Construction 1-21</li> <li>1.2.6 Project Location and Land Requirements 1-21</li> </ol> </li> <li>1.3 Maps, Aerial Photography, Plot Plans, Typical Drawings, and Representative Site Photos 1-24</li> <li>1.4 Construction and Restoration Methods 1-24 <ol style="list-style-type: none"> <li>1.4.1 Hydrostatic Testing 1-25</li> <li>1.4.2 Re-entering, Plugging, and Abandonment of Facilities 1-26</li> </ol> </li> <li>1.5 Construction Workforce and Schedule 1-27</li> <li>1.6 Operation and Maintenance 1-28</li> <li>1.7 Future Expansion and Abandonment Plans 1-28</li> <li>1.8 Permits, Approvals, and Clearances 1-28</li> <li>1.9 Affected Landowners 1-29</li> <li>1.10 Non-jurisdictional Facilities 1-30</li> <li>1.11 References 1-31</li> </ol>

Total: 1 comment(s)