

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:

2237020

Date Received:

06/05/2012

PluggingBond SuretyID

20030028

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: SWEPI LP

4. COGCC Operator Number: 78110

5. Address: 4582 S ULSTER ST PKWY #1400

City: DENVER State: CO Zip: 80237

6. Contact Name: MICHAEL303 BERGSTROM Phone: (303)222-6347 Fax: (303)222-6258

Email: MICHAEL.BERGSTROM@SHELL.COM

7. Well Name: HAMILTON Well Number: 1-29

8. Unit Name (if appl): Williams Fork Unit Number: COC 74956X

9. Proposed Total Measured Depth: 6392

WELL LOCATION INFORMATION

10. QtrQtr: Trt 61 Sec: 29 Twp: 5N Rng: 91W Meridian: 6

Latitude: 40.354194

Longitude: -107.621706

Footage at Surface: 1890 feet FNL/FSL FSL 107 feet FEL/FWL FEL

11. Field Name: Moffat Field Number: 55700

12. Ground Elevation: 6343 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 04/19/2012 PDOP Reading: 1.3 Instrument Operator's Name: B. HUNTING

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
2014 FSL 23 FWL 1324 FNL 2444 FWL
Sec: 28 Twp: 5N Rng: 91W Sec: 28 Twp: 5N Rng: 91W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 424 ft

18. Distance to nearest property line: 330 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1815 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 ☐ Indian23. 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 ☐ 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):

T-5N, R-91W: SEE ATTACHED MINERAL LEASE (AND SURFACE OWNERSHIP) MAP.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 599

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	156	90	0
SURF	13+1/2	10+3/4	40.5	0	500	277	500	0
1ST	9+7/8	7+5/8	29	0	2,855	273	2,855	250
2ND	6+3/4	5+1/2	17	2720	6,407	0		

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

33. Comments SURFACE OWNER IDA GORDON OWNS A PERCENTAGE OF THE MINERALS, SUA IS WAITING ON SIGNATURE. ATTACHMENTS INCLUDE A DRILLING AND COMPLETION PLAN.

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: SR REG. ADVISOR Date: 6/5/2012 Email: MICHAEL.BERGSTROM@SH

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: Matthew Lee Director of COGCC Date: 8/13/2012

API NUMBER

05 081 07744 00

Permit Number: _____ Expiration Date: 8/12/2014

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.

COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

7 5/8" CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 235 FEET DEEP.

ADHERENCE(S) TO THE FOLLOWING NOTICE TO OPERATORS APPLIES:

NW AREA NOTIFICATION PROCEDURES

Before placing oil/salt based muds in a pit, operator must file and receive prior approval of a Pit Permit, Form 15. COGCC regulations regarding pit permits can be found in Rule 903.a.(3). PIT PERMITTING/REPORTING REQUIREMENTS

Attachment Check List

Att Doc Num	Name
1533319	LEGAL/LEASE DESCRIPTION
1533335	WELLBORE DIAGRAM
1533373	WELLBORE DIAGRAM
1533374	WELLBORE DIAGRAM
2237020	FORM 2 SUBMITTED
2237021	WELL LOCATION PLAT
2237022	MINERAL LEASE MAP
2237023	DEVIATED DRILLING PLAN
2237024	DRILLING PLAN
2237025	WELLBORE DIAGRAM
400305335	DIRECTIONAL DATA

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	off hold--revised WBD reviewed by eng. and casing/cement tab revised & reviewed by eng. No LGD or public comments. Final Review--passed.	7/19/2012 9:28:56 AM
Permit	still on hold--attached new WBD that has TD agreeing w/ permitted depth. added add'l casing info from oper.: req'd eng. re-review. oper. confirmed that acreage tracts on lease map are not in Williams Fork Unit; borehole still meets 600' distance from unit boundary.	7/17/2012 11:50:42 AM
Permit	still on hold--attached lease description, per oper. changed dist. to nearest min. lease to 0'. TD on WBD is 6407' and on permit proposed TD is 6392.	7/16/2012 11:34:40 AM
Permit	still on hold--uploaded dir. template. still need eng. re-review.	7/13/2012 9:14:28 AM
Permit	on hold pending receipt of dir. template. need casing tab completed. resent to engineering for re-review. added unit name, field name.	7/12/2012 1:06:52 PM
Permit	Operator gave permission (spoke with Ann Baldrige) to change 22a to Yes and 22b to N/A and remove surety bond ID.	6/7/2012 11:29:43 AM
Permit	production casing depth was given as a range of 2720-5392 Called operator. He has a response in 22b and answer to 22 is no .	3/7/2012 9:36:12 AM
Data Entry	CHECK #10 QTR QTR: WORD TRACK 61 NOT FIT IN ENTRY SPACE PROVIDED BY SOFTWARE	6/6/2012 11:25:19 AM

Total: 8 comment(s)

BMP

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

Total: 0 comment(s)