

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:

400309426

Date Received:

07/27/2012

PluggingBond SuretyID

20090078

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: PDC ENERGY INC

4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

6. Contact Name: Liz Lindow Phone: (303)831-3974 Fax: ()

Email: liz.lindow@pdce.com

7. Well Name: Danielson Well Number: 15G-412

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

9. Proposed Total Measured Depth: 12004

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 15 Twp: 7N Rng: 66W Meridian: 6

Latitude: 40.574850 Longitude: -104.772750

Footage at Surface: 2529 feet FNL/FSL 210 feet FEL/FWL
FSL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4950 13. County: WELD

14. GPS Data:

Date of Measurement: 04/23/2012 PDOP Reading: 1.4 Instrument Operator's Name: Thomas Carlson

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
2400 FNL 500 FWL 2400 FNL 500 FEL
Sec: 15 Twp: 7N Rng: 66W Sec: 15 Twp: 7N Rng: 66W

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: 221 ft

18. Distance to nearest property line: 150 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 420 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Codell | CODL | | 320 | GWA |

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):

N2 of Sec 15 T7N R66W

25. Distance to Nearest Mineral Lease Line: 252 ft

26. Total Acres in Lease: 320

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 | 12+1/4 | 9+5/8 | 36 | 0 | 875 | 730 | 875 | 0 |
| 1ST | 8+3/4 | 7 | 26 | 0 | 8,074 | 650 | 8,074 | 0 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 6752 | 12,004 | | | |

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

33. Comments Conductor casing will not be used. Operator requests an exception location per rule 318Aa and rule 318Ac: well will not be drilled in a legal drilling window or twinned with an existing well. Waviers attached. Per rule 318Ae, the Operator requests the proposed spacing unit consisting of 320 acres, N2S2 and S2N2 of Sec 15 T7N R66W. Proposed spacing unit map and 30-day certificate is attached.

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: Liz Lindow

Title: Regulatory Analyst

Date: 7/27/2012

Email: liz.lindow@pdce.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: Matthew Lee Director of COGCC Date: 8/22/2012

API NUMBER

05 123 36014 00

Permit Number: _____ Expiration Date: 8/21/2014

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)Provide notice of MIRU via an electronic Form 42.
2)Comply with Rule 317.i and provide cement coverage from the end of the intermediate casing to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.

Operator must meet Water Well Testing requirements as per amended Rule 318Ae(4)

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 2113820 | PROPOSED SPACING UNIT |
| 2481764 | ENGINEERING REVIEW |
| 400309426 | FORM 2 SUBMITTED |
| 400310341 | EXCEPTION LOC WAIVERS |
| 400310342 | EXCEPTION LOC REQUEST |
| 400310343 | DEVIATED DRILLING PLAN |
| 400310344 | WELL LOCATION PLAT |
| 400310345 | 30 DAY NOTICE LETTER |
| 400310346 | DIRECTIONAL DATA |
| 400310347 | PROPOSED SPACING UNIT |

Total Attach: 10 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 8/21/2012 8:18:21 AM |
| Permit | Proposed Spacing Unit Map uploaded as per opr. Ready to pass pending public comment 8/20/12. | 8/10/2012 8:08:50 AM |
| Permit | In the Proposed spacing unit attachment for this well there is not map. Opr notified Due to GWA wellbore spacing unit I removed the unit description to insert GWA. | 7/30/2012 3:41:34 PM |
| Permit | Operator requests approval of a Rule 318Aa, Rule 318Ae, and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window, the well will be drilled to a 318Ae infill location from outside of a GWA drilling window, and the wellhead will be located more than 50' from an existing well location. Request and waivers attached. | 7/30/2012 3:35:11 PM |

Total: 4 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)