

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:

400318037

Date Received:

08/22/2012

PluggingBond SuretyID

20120026

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: PEAKVIEW OPERATING COMPANY, LLC4. COGCC Operator Number: 104095. Address: 216 16TH STREET, SUITE 1450City: DENVER State: CO Zip: 802026. Contact Name: Kimberly Rodell Phone: (303)820-4480 Fax: (303)820-4124Email: kim@banko1.com7. Well Name: Ence Well Number: 1H

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

9. Proposed Total Measured Depth: 10906

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 3 Twp: 6N Rng: 90W Meridian: 6Latitude: 40.500343 Longitude: -107.482955

Footage at Surface: 434 feet FNL/FSL 933 feet FEL/FWL FWL

11. Field Name: Buck Peak Field Number: 767512. Ground Elevation: 6206 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 07/23/2012 PDOP Reading: 1.8 Instrument Operator's Name: G.R. Dowling15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 667 FSL 688 FEL/FWL 673 FSL 1996 FEL FEL
 Sec: 3 Twp: 6N Rng: 90W Sec: 4 Twp: 6N Rng: 90W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 241 ft18. Distance to nearest property line: 434 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5585 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#: 2012002723a. 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):

T6N R90W Sec. 3: W2SW; Sec. 4: SE; Sec. 9: W2NE, SENW, E2SW

25. Distance to Nearest Mineral Lease Line: 655 ft

26. Total Acres in Lease: 440

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	20	16	84	0	120		120	0
SURF	14+3/4	9+5/8	36	0	2,350	1,435	2,350	0
1ST	8+3/4	7	23	2200	8,782	655	8,782	2,200
1ST LINER	6+1/8	4	11.6	7840	10,906	0		

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

33. Comments The Application for Permit to Drill (APD) is for the horizontal portion of the wellbore. A non-productive pilot hole will be drilled along with the horizontal portion. The Kick-Off-Point (KOP) is estimated to be at $\pm 7,882'$ MD. A non-productive test will be run in the pilot-hole from 7,840' – 8,757' TVD. After the pilot hole is tested two cement plugs will be set from 7,650' – 8,757'. The horizontal portion of the well will kick off at $\pm 7,882'$ MD, will be drilled, and a liner will run the distance of the horizontal leg. The un-cemented liner will be completed with a Packers Plus completion. The nearest well distance was taken from the proposed bottom hole location of the proposed horizontal well to the existing Kowach 1-9, API No. 05-081-06185.

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: Kimberly J. Rodell

Title: Permit Agent Date: 8/22/2012 Email: kim@banko1.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
400318037	FORM 2 SUBMITTED
400318203	WELL LOCATION PLAT
400318214	TOPO MAP
400319238	DEVIATED DRILLING PLAN
400319241	DRILLING PLAN
400320216	DIRECTIONAL DATA

Total Attach: 6 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>

Total: 0 comment(s)