

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:

400293347

Date Received:

07/17/2012

PluggingBond SuretyID

20010023

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: K P KAUFFMAN COMPANY INC

4. COGCC Operator Number: 46290

5. Address: 1675 BROADWAY, STE 2800

City: DENVER State: CO Zip: 80202

6. Contact Name: Susana Lara-Mesa Phone: (303)825-4822 Fax: (303)825-4825

Email: slaramesa@kpk.com

7. Well Name: SIERRA-MITCHELL Well Number: #32-8

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

9. Proposed Total Measured Depth: 8050

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 32 Twp: 4S Rng: 63W Meridian: 6

Latitude: 39.652723 Longitude: -104.460684

Footage at Surface: 660 feet FNL/FSL 1980 feet FEL/FWL FEL

11. Field Name: BOMBING RANGE Field Number: 7155

12. Ground Elevation: 5746 13. County: ARAPAHOE

14. GPS Data:

Date of Measurement: 10/31/2007 PDOP Reading: 1.8 Instrument Operator's Name: Ray Gorka

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: 1947 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1688 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		80	W2SE
J-3	J-3		80	W2SE

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):

T4S R63W 6PM SEC 32: ALL - 640 ACRES

25. Distance to Nearest Mineral Lease Line: 660 ft

26. Total Acres in Lease: 640

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	27	0	274	210	274	0
1ST	7+7/8	4+1/2	11.6	0	8,406	265	8,406	7,150

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

33. Comments FORM 4 ALONG WITH WELLBORE DIAGRAM WAS FILED AT THE COGG ON 06-13-2012

34. Location ID: 320775

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: Susana Lara-Mesa

Title: Engineering Project Mgr Date: 7/17/2012 Email: slaramesa@kpk.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: 9/6/2012

API NUMBER

05 005 06974 00

Permit Number: _____ Expiration Date: 9/5/2014

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.

Prior to recomple, operator must: 1) Verify existing cement with a cement bond log. 2) If it is not present as follows, provide remedial cement 200' above Niobrara (minimum cement top of 6980'), and 1780' into the surface casing shoe. Verify remedial cement coverage with cement bond log.

Attachment Check List

Att Doc Num	Name
400293347	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	8/21/2012 11:02:03 AM
LGD	<p>Arapahoe County has the following comments:</p> <p>The operator should contact Arapahoe County Planning via a Pre-submittal Meeting to determine if there are any Planning Process requirements for recompleting a well.</p> <p>Engineering Permits</p> <p>1. A GESC (Grading, Erosion and Sedimentation Control) plan and report must be submitted for each oil well site. Collateral to guarantee the BMPs must be provided prior to the issuance of the GESC permit. The GESC permit must be issued prior to any grading related to the oil well development.</p> <p>2. A truck traffic report must be submitted to the County before issuance of an access permit. The report must specify the volume, type and size of truck traffic used in the drilling and production of the well. Included in this report the</p> <p>Applicant must provide a detailed map depicting all County roads intended to be used by truck traffic to ingress and egress the well site. The roadway condition and existing traffic volumes of each of the roadways must be specified</p> <p>in the report. Improvements to any County road along the proposed route may require an agreement with the Operator prior to issuance of the access permit. Any damage to an Arapahoe county road resulting from the Oil Well</p> <p>operation will be the responsibility of the Applicant.</p> <p>3. An oversize moving permit is required for transporting drilling rigs or any other oversize and overweight vehicles on any County roadways.</p> <p>4. In the event any encroachment of a FEMA or County designated floodplain, a floodplain development permit will be required. Prior to issuance of this permit, an engineering analysis must be submitted evaluating the impact of this</p> <p>encroachment on the 100-year floodplain.</p> <p>Engineering Staff will consider waiving some or all of the engineering requirements for the Sierra Mitchell 32-8 well as we expect less impact from the recompleted wells; however, we request the KP Kauffman contact staff well in advance</p> <p>of drilling to determine which requirements apply.</p>	3/7/2012 2:31:02 PM
Permit	<p>You're correct, Bill. Please change it. Thanks, Susi</p> <p>On Aug 6, 2012, at 11:25 AM, "Yokley, Bill" wrote:</p> <p>Hey Susi,</p> <p>Would you please review this document.</p> <p>Issue: it was marked as being a "re-file".</p> <p>I don't think that is the case, it appears to be only a recomplete.</p> <p>If agree and give me the authorization I will remove the "refilling" yes on the form.</p> <p>Thanks,</p> <p>Bill</p>	8/6/2012 11:54:06 AM
Engineer	I don't see where this is a refile?	7/31/2012 5:33:24 PM

Total: 4 comment(s)

BMP

Type

Comment

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Total: 0 comment(s)