

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:

400307504

Date Received:

08/08/2012

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: Ochsner Well Number: 5K-221

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

9. Proposed Total Measured Depth: 14133

WELL LOCATION INFORMATION

10. QtrQtr: Lot 1 Sec: 5 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.516560 Longitude: -104.918050

Footage at Surface: 2355 feet FNL 2433 feet FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4883 13. County: WELD

14. GPS Data:

Date of Measurement: 05/30/2012 PDOP Reading: 2.4 Instrument Operator's Name: Adam Kelly

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
2100 FNL 1960 FWL 500 FNL 1960 FWL
Sec: 5 Twp: 6N Rng: 67W Sec: 5 Twp: 6N Rng: 67W

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: 1400 ft

18. Distance to nearest property line: 200 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 440 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		240	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):

NW/4 of Section 5 T6N R67W, W2 of Section 32 T7N R67W

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 464

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	7,375	650	7,375	600
1ST LINER	6+1/8	4+1/2	11.6	6175	14,133			

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 240 acres, E2W2 of Sec 32 T7N R67W and NENW of Sec 5 T6N R67W. 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: 8/8/2012 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: 10/6/2012

API NUMBER: **05 123 36145 00** Permit Number: _____ Expiration Date: 10/5/2014

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.

- 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

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

Attachment Check List

Att Doc Num	Name
1699127	PROPOSED SPACING UNIT
1771774	SURFACE CASING CHECK
400307504	FORM 2 SUBMITTED
400309584	WELL LOCATION PLAT
400309585	30 DAY NOTICE LETTER
400309587	EXCEPTION LOC REQUEST
400309588	EXCEPTION LOC WAIVERS
400313850	DEVIATED DRILLING PLAN
400313881	PROPOSED SPACING UNIT
400316058	DIRECTIONAL DATA

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Attached corrected proposed spacing unit and obj. formation acres as per opr. Final review complete.	10/3/2012 8:34:23 AM
Permit	Ready to pass pending public comment 9/5/12.	8/23/2012 10:42:40 AM
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. Removed Unit configuration "see comments" and inserted GWA and notified Opr. Also requested clarification on unit acreage of 200'.	8/21/2012 11:52:47 AM
Permit	Operator cannot get azimuth field to accept 360 to the bottom. That is the value that should be there.	8/15/2012 11:29:04 AM
Permit	operator corrected surface hole location.	3/8/2012 4:01:02 PM
Permit	Returned to draft. Surface hole location does not match plat. No azimuth data in directional template.	3/8/2012 3:21:22 PM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)