

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

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Document Number:

400327260

Date Received:

10/03/2012

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: Nancy Feck Phone: (307)367-7934 Fax: (307)367-4285

Email: N.Feck@shell.com

7. Well Name: North Castor Gulch Well Number: 2-16

8. Unit Name (if appl): Williams Fork Unit Number: COC74956X

9. Proposed Total Measured Depth: 10482

WELL LOCATION INFORMATION

10. QtrQtr: TR66 Sec: 16 Twp: 5N Rng: 91W Meridian: 6

Latitude: 40.392100 Longitude: -107.605658

Footage at Surface: 1325 feet FNL/FSL 1000 feet FEL/FWL FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 6987 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 08/09/2012 PDOP Reading: 1.5 Instrument Operator's Name: B.Hunting (Uintah)

15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 931 FNL 1841 FEL 308 FSL 729 FWL 308
Sec: 16 Twp: 5N Rng: 91W Sec: 16 Twp: 5N Rng: 91W

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: 3801 ft

18. Distance to nearest property line: 998 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1481 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 shale	NBRR			

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: CO 8473.5

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):

T5N, R91W, 6th P.M; Section 16 all. Item #25 - Distance to the nearest Unit boundary is 765'.

25. Distance to Nearest Mineral Lease Line: 0 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
CONDUCTOR	30	20		0	90		90	0
SURF	13+1/2	10+3/4	40.5lbs	0	1,250	688	1,250	0
1ST LINER	7+7/8	5+1/2	17lbs	0	10,482	75	5,001	4,230

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

33. Comments Depending on subsurface conditions, intermediate casing may be used. If intermediate casing is used, the hole will be drilled at 9 7/8". Intermediate casing of 7 5/8" will run from the surface to 5001' with cement from 4831' to 5001'. Production hole will be drilled at 6 3/4". A 5 1/2" production liner will be installed from 4800' to 10482', uncemented. A 9pt. drilling and completion plan outlining this procedure is attached. Item #25 - Distance to the nearest unit boundary is 765'.

34. Location ID: 428533

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: Nancy Feck

Title: Regulatory Technician Date: 10/3/2012 Email: N.Feck@shell.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
400327260	FORM 2 SUBMITTED
400329293	WELLBORE DIAGRAM
400329295	WELLBORE DIAGRAM
400330056	DRILLING PLAN
400330064	MINERAL LEASE MAP
400330065	PLAT
400330066	DEVIATED DRILLING PLAN
400330067	TOPO MAP
400330068	LEGAL/LEASE DESCRIPTION
400334391	DIRECTIONAL DATA

Total Attach: 10 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>
Wildlife	<ol style="list-style-type: none"> 1. Construct the pad and drill the well outside of the period between December 1 and April 15 for elk and mule deer. 2. Construct and or drill any subsequent wells outside the period between December 1 and April 15 for elk and mule deer. 3. Conduct post-development well site visitations between the hours of 10:00am and 3:00pm and reduce well site visitations between the December 1 and April 15; emergencies exempted. 4. Shell agrees to be in noise abatement compliance with COGCC Rule 802.c for the "Industrial" zone during construction, drilling, and completion of the well, and in compliance with the "Residential/Agricultural/Rural" zone during production operations. 5. Interim and final reclamation will match existing vegetation. 6. A weed management plan will be prepared and implemented as part of reclamation. 7. This is a multi-well pad and interim reclamation will occur within 6 months of completion of all wells and placement of production facilities.
Material Handling and Spill Prevention	Spill Prevention Control and Countermeasure Plans (SPCC) are in place to address material releases and to prescribe materials handling BMP's for the facility. "Good housekeeping" measures will be taken to ensure proper waster disposal.
Storm Water/Erosion Control	<p>Storm Water management plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment(CDPHE) and Colorado Oil and Gas Conservation(COGCC) stormwater discharge permits. The construction layout for the North Castor Gulch 2-16 details Best Managment Practices (BMP's) prescribed during initial construction. Note that BMP's may be removed, altered, or replaced with changing conditions in the field and the SWMP will be updaed accordingly. The BMP's that were prescribed during the initial construction included:</p> <ul style="list-style-type: none"> -Diversion ditch -Check dams -Level spreaders -Stabilized construction entrance -Slash -Sediment traps -Wattles -Terrace -Secondary containment berms -Detention ponds

Total: 3 comment(s)