

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:

400334684

Date Received:

10/25/2012

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 LP4. COGCC Operator Number: 781105. Address: 4582 S ULSTER ST PKWY #1400City: DENVER State: CO Zip: 802376. Contact Name: Nancy Feck Phone: (307)367-7934 Fax: (307)367-4285Email: N.Feck@shell.com7. Well Name: Deal Gulch Well Number: 8-168. Unit Name (if appl): Williams Fork Unit Number: COC74956X9. Proposed Total Measured Depth: 8691

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 16 Twp: 5N Rng: 90W Meridian: 6Latitude: 40.388008 Longitude: -107.497958Footage at Surface: 2137 feet FNL/FSL FNL 2369 feet FEL/FWL FEL11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 7210 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 08/09/2012 PDOP Reading: 1.3 Instrument Operator's Name: B.Hunting15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 1872 FNL 1341 FEL 160 FSL 2554 FWL 160
Sec: 16 Twp: 5N Rng: 90W Sec: 16 Twp: 5N Rng: 90W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 2190 ft18. Distance to nearest property line: 2137 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 429 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 #: 8471.522. Surface Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian23. 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 ☐ 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):

Please see attached mineral lease map and lease description. Distance to nearest Unit boundary is 1335'.

25. Distance to Nearest Mineral Lease Line: 160 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	40.5	0	1,250	667	1,250	0
1ST	7+7/8	5+1/2	17	0	8,691	78	4,814	4,014

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 9 7/8". Intermediate casing of 7 5/8" will run from surface to 4814' with cement from 4014' to 4814'. Production hole will be drilled at 6 3/4". A 5 1/2" production liner will be run from 4614' to 8691', uncemented. Item #25. Distance to nearest Unit boundary is 1335'.

34. Location ID: 428535

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: 10/25/2012 Email: N.Feck@shell.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: 11/26/2012

API NUMBER

05 081 07767 00

Permit Number: _____ Expiration Date: 11/25/2014

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) PRODUCTION CASING (OR INTERMEDIATE CASING IF USED) CEMENT TOP VERIFICATION BY CBL REQUIRED.

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400334684	FORM 2 SUBMITTED
400334777	MINERAL LEASE MAP
400334780	LEGAL/LEASE DESCRIPTION
400334781	DEVIATED DRILLING PLAN
400334782	DIRECTIONAL DATA
400334783	WELLBORE DIAGRAM
400334784	WELLBORE DIAGRAM
400334785	WELL LOCATION PLAT
400335311	TOPO MAP
400335312	DRILLING PLAN

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Per oper. corrected dist. to prop. line, dist. to min. lease, dist. to unit boundary. Wellbore only crosses one state lease. Corrected total lease acres. State Land Board approved location. No LGD or public comments. Final Review--passed.	11/26/2012 11:11:02 AM
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.	11/1/2012 4:12:33 PM
Permit	This form passed completeness.	10/26/2012 10:24:23 PM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)