

**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: Deal Gulch      Well Number: 8-16

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

9. Proposed Total Measured Depth: 8691

**WELL LOCATION INFORMATION**

10. QtrQtr: SWNE      Sec: 16      Twp: 5N      Rng: 90W      Meridian: 6  
Latitude: 40.388008      Longitude: -107.497958

Footage at Surface:      2137      feet      FNL/FSL      FNL      2369      feet      FEL/FWL      FEL

11. Field Name: Wildcat      Field Number: 99999

12. Ground Elevation: 7210      13. County: MOFFAT

**14. GPS Data:**

Date of Measurement: 08/09/2012      PDOP Reading: 1.3      Instrument Operator's Name: B.Hunting

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  
1872      FNL      1341      FEL      160      FSL      2554      FWL  
Sec: 16      Twp: 5N      Rng: 90W      Sec: 16      Twp: 5N      Rng: 90W

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: 2190 ft

18. 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 #: 8471.5

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):

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**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
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**

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

Total: 0 comment(s)