

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:

400357869

Date Received:

12/13/2012

PluggingBond SuretyID

20090080

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: GREAT WESTERN OIL & GAS COMPANY LLC

4. COGCC Operator Number: 10110

5. Address: 1700 BROADWAY SUITE 650

City: DENVER State: CO Zip: 80290

6. Contact Name: Shannon Hartnett Phone: (303)830-9893 Fax: (866)522-1673

Email: shartnett@gwogco.com

7. Well Name: Land JG Well Number: 31-36D

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

9. Proposed Total Measured Depth: 7614

WELL LOCATION INFORMATION

10. QtrQtr: Lot 2 Sec: 31 Twp: 2N Rng: 64W Meridian: 6

Latitude: 40.088100 Longitude: -104.599353

Footage at Surface: 229 feet FNL/FSL 929 feet FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4933 13. County: WELD

14. GPS Data:

Date of Measurement: 10/18/2012 PDOP Reading: 1.8 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: FNL/FSL 0 FSL 2451 FWL FWL Bottom Hole: FNL/FSL 0 FSL 2451 FWL FWL
Sec: 31 Twp: 2N Rng: 64W Sec: 31 Twp: 2N Rng: 64W

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: 466 ft

18. Distance to nearest property line: 198 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 651 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-Codell	NB-CD	0	160	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):

Land JG wells should be 297 acres and the lease description should say: West 1/2 of Section 31 except for 2.48 acres of ROW of CB & GRR.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 297

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	8+5/8	24	0	1,005	464	1,005	0
1ST	7+7/8	4+1/2	11.6	0	7,614	675	7,614	4,002

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

33. Comments Conductor casing will not be set. Production casing will be set at a minimum of 200' above the Niobrara. This location is outside of the GWA drilling window and attached is the signed waiver letter and request for approval. Proposed wellbore spacing unit description is Section 31-2N-64W: SESW, SWSE and Section 6-1N-64W: NWNW, NENW. Proposed wellbore spacing Unit Plat with cert letter and request for approval is attached. Operator requests approval of a Rule 318Ae exception location: Wellhead is to be located inside of a GWA drilling window and the well will be drilled to a 318Ae infill location from outside of a GWA drilling window. Request and waivers attached. Actual acreage is 236.905875 Note on plat there is a powerline closest to the well

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: Shannon Hartnett

Title: Permitting Agent

Date: 12/13/2012

Email: shartnett@gwogco.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: 1/17/2013

API NUMBER

05 123 36586 00

Permit Number: _____ Expiration Date: 1/16/2015

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)Provide notice of MIRU via an electronic Form 42.
2)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara. Verify cement coverage with a cement bond log per 317.o.

As the proposed BHL is projected to be at the intersection for four quarter/quarters (not all of which has been described as being under lease by the operator) therefore the distance to the nearest lease line would be zero. This proposed BHL would be greater than 460' from the unit boundary.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

Att Doc Num	Name
2482032	SURFACE CASING CHECK
400357869	FORM 2 SUBMITTED
400358190	WELL LOCATION PLAT
400358191	DIRECTIONAL DATA
400358192	DEVIATED DRILLING PLAN
400358193	EXCEPTION LOC WAIVERS
400358194	EXCEPTION LOC REQUEST
400358195	PROPOSED SPACING UNIT
400358196	SURFACE AGRMT/SURETY
400358197	MINERAL LEASE MAP

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	1/8/2013 9:28:43 AM
Permit	Operator change Land JG wells should be 297 acres and the lease description should say: West ½ of Section 31 except for 2.48 acres of ROW of CB & GRR.	1/8/2013 9:28:24 AM
Permit	Operator requests approval of a Rule 318Ae exception location: Wellhead is to be located inside of a GWA drilling window and the well will be drilled to a 318Ae infill location from outside of a GWA drilling window. Request and waivers attached.	1/8/2013 6:51:20 AM
Permit	Distance to nearest well changed as per operator.	12/19/2012 2:50:40 PM
Permit	Objective Formation states 80 acre unit but this appears to be a 160 acre unit for a boundary well.	12/17/2012 5:34:27 AM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<p>Storm water management Plans (SWMP) will be in place to address construction, drilling and operations associated with Oil and Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health (CDPHE). BMP's will be constructed around the perimeter of the site prior to or at the beginning of construction; BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.</p> <p>Spill Prevention Control and Counter Measures (SPCC) plans will be in place to address any possible spills associated with Oil and Gas operations throughout the state of Colorado in accordance with CFR 112. In accordance with COGCC Rule 1002.f.(2) A. & B., shall provide a designated storage area for dry bulk chemicals and miscellaneous fluids. The storage area shall be covered to prevent contact of precipitation with chemicals, shall be elevated above storm- or standing water, and shall provide sufficient containment to prevent release of spilled fluids or chemicals from impacting soil, surface water or groundwater and will prevent the co-mingling of spilled fluids or chemicals with other E & P Waste.</p> <p>Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup is required to minimize any commingling of waste materials with storm water runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling, There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup will consist of patrolling the roadways, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly and promptly.</p>

Total: 1 comment(s)