

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:

400348868

Date Received:

11/21/2012

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: Janni Keidel Phone: (303)398-0388 Fax: (866)742-1784

Email: jkeidel@gwogco.com

7. Well Name: Land JG Well Number: 31-17D

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

9. Proposed Total Measured Depth: 7765

WELL LOCATION INFORMATION

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

Latitude: 40.088319 Longitude: -104.599353

Footage at Surface: 308 feet FNL/FSL 929 feet FEL/FWL
 FSL 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 FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
 2009 FSL 1810 FWL 2009 FSL 1810 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: 351 ft

18. Distance to nearest property line: 308 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 958 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	407-87	80	N/2SW/4

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. 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):

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: 1810 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	1,001	463	1,001	0
1ST	7+7/8	4+1/2	11.6	0	7,765	685	7,765	4,100

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. 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.

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: Janni Keidel

Title: Permit & Reg Analyst

Date: 11/21/2012

Email: jkeidel@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: _____

Director of COGCC

Date: 1/17/2013

API NUMBER

05 123 36593 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 from the 4.5" casing TD to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.

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
2482009	SURFACE CASING CHECK
400348868	FORM 2 SUBMITTED
400348900	EXCEPTION LOC WAIVERS
400348903	WELL LOCATION PLAT
400348904	SURFACE AGRMT/SURETY
400348905	DEVIATED DRILLING PLAN
400348906	DIRECTIONAL DATA
400348908	MINERAL LEASE MAP
400349024	WAIVERS
400349204	EXCEPTION LOC REQUEST

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	1/8/2013 9:41:52 AM
Permit	Operator changed 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 9:41:34 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 5:35:08 AM
Permit	Operator requested the change of verbiage in the lease description and the change of total acres.	12/10/2012 11:22:22 AM
Permit	The lease description says 320 acres it should be closer to 300 acres. Requested review from operator.	12/10/2012 10:42:29 AM
Permit	operator completed field name and number. This form passed completeness.	11/26/2012 12:51:09 PM
Permit	Returned to draft. Missing field name and number.	11/23/2012 1:57:13 PM

Total: 7 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<p>Great Western Oil & Gas Company, LLC - Best Management Practices - Summary</p> <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)