

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:

400366415

Date Received:

01/08/2013

## 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 ☐

PluggingBond SuretyID

20120081

3. Name of Operator: PICEANCE ENERGY LLC4. COGCC Operator Number: 104335. Address: 1512 LARIMER STREET #1000City: DENVER State: CO Zip: 802026. Contact Name: Julie Webb Phone: (303)339-4400 Fax: (303)399-4399Email: jwebb@progressivepcs.net7. Well Name: Vega Well Number: 4-142

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

9. Proposed Total Measured Depth: 8353

## WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 4 Twp: 10S Rng: 93W Meridian: 6Latitude: 39.217942 Longitude: -107.777763

Footage at Surface: 2292 feet FNL/FSL 1631 feet FEL/FWL  
 FSL FWL

11. Field Name: Vega Field Number: 8593012. Ground Elevation: 8030 13. County: MESA

## 14. GPS Data:

Date of Measurement: 07/02/2008 PDOP Reading: 6.0 Instrument Operator's Name: T.Viers/ Bookcliff15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 410 FSL 150 FWL 410 FSL 150 FWL  
 Bottom Hole: FNL/FSL 410 FSL 150 FWL 410 FSL 150 FWL  
 Sec: 4 Twp: 10S Rng: 93W Sec: 4 Twp: 10S Rng: 93W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 317 ft18. Distance to nearest property line: 292 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 339 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Iles                   | ILES           | 399-4                   |                               |                                      |
| Williams Fork          | WMFK           | 399-4                   |                               |                                      |

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):

T10S R93W - SEC 4: W2/SW; SEC 15: NW/NE. Piceance is surf. owner.

25. Distance to Nearest Mineral Lease Line: 150 ft

26. Total Acres in Lease: 120

### 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: Reclaim water & bury cutting

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   | 24           | 16             | 55    | 0             | 60            | 200       | 60      | 0       |
| SURF        | 12+1/4       | 8+5/8          | 32    | 0             | 2,200         | 740       | 2,200   | 0       |
| 1ST         | 7+7/8        | 4+1/2          | 11.6  | 0             | 8,353         | 477       | 8,353   | 5,487   |

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

33. Comments I certify that all conditions in the original permit are the same. There have been no changes to land use, well construction or the lease. This pad is built. No expansion or additional disturbance will occur. Closed loop system will be used. #22b - PICEANCE LLC IS THE SURFACE OWNER. This Refile Form 2 does not require a Form 2A because the pad has been constructed, a closed loopsystem is being used so no pits need to be constructed, the refiled well will not require any expansion / additional surface disturbance of the pad. The location is not in a wildlife restricted surface occupancy area (RSO); consultation with CDOW is not required and the location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).; consultation with CDPHE is notrequired.

34. Location ID: 334442

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: Julie Webb

Title: Regulatory Analyst Date: 1/8/2013 Email: jwebb@progressivepcs.net

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: 1/31/2013

#### API NUMBER

05 077 09817 00

Permit Number: \_\_\_\_\_ Expiration Date: 1/30/2015

#### 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.

COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS 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             |
|-------------|------------------|
| 400366415   | FORM 2 SUBMITTED |

Total Attach: 1 Files

**General Comments**

| <b><u>User Group</u></b> | <b><u>Comment</u></b>  | <b><u>Comment Date</u></b> |
|--------------------------|--|----------------------------|
| Permit                   | Location built w/ 3 PR's.<br>No LGD or public comments.<br>Final Review--passed.   | 1/30/2013<br>8:04:23 AM    |
| Engineer                 | THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 220 FEET DEEP. | 1/14/2013<br>11:48:23 AM   |

Total: 2 comment(s)

**BMP**

| <b><u>Type</u></b> | <b><u>Comment</u></b> |
|--------------------|-----------------------|
|                    |                       |

Total: 0 comment(s)