

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:

400373972

Date Received:

01/24/2013

PluggingBond SuretyID

20120060

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: PRONGHORN OPERATING LLC

4. COGCC Operator Number: 10422

5. Address: 8400 E PRENTICE AVENUE #1000

City: GREENWOOD State: CO Zip: 80111
VILLAGE

6. Contact Name: Jake Flora Phone: (720)988-5375 Fax: ()

Email: jakeflora@kfrcorp.com

7. Well Name: UPRR #14-5 Well Number: 1X

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

9. Proposed Total Measured Depth: 5600

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 5 Twp: 14S Rng: 44W Meridian: 6

Latitude: 38.858170 Longitude: -102.367460

Footage at Surface: 662 feet FNL/FSL FSL 665 feet FEL/FWL FWL

11. Field Name: Cheyenne Wells Field Number: 11050

12. Ground Elevation: 4301 13. County: CHEYENNE

14. GPS Data:

Date of Measurement: 01/23/2013 PDOP Reading: 3.1 Instrument Operator's Name: Keith Westfall

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

Sec: Twp: Rng: Sec: Twp: Rng:

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: 665 ft

18. Distance to nearest property line: 662 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2615 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.)
LANSING	LNSNG			
MISSISSIPPIAN	MSSP			
TOPEKA	TOPK			

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 ☐ 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):

ALL, SEC 5, 14S, 44W, 6th PM

25. Distance to Nearest Mineral Lease Line: 662 ft

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: DRY & BURY

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	17+1/2	13+3/8	54	0	450	225	450	0
1ST	12+1/4	8+5/8	24	0	1,700	100	1,700	1,200
2ND	7+7/8	5+1/2	15.5	0	5,600	150	5,600	4,600
S.C. 2.1					4,250	150	4,250	3,400
S.C. 2.2						250	2,450	1,750

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

33. Comments This is a rig skid and re-drill of the UPRR 14-5 wellbore. An attempt to re-enter the UPRR 14-5 proved unsuccessful due to an unpassable restriction in the hole at 1850'. Permitting and drilling the UPRR 14-5 1X will allow Pronghorn Operating LLC to test the original objectives while skidding the rig and utilizing the existing pits and location.

34. Location ID: 380119

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: Jake Flora

Title: Petroleum Engineer Date: 1/24/2013 Email: jakeflora@kfrcorp.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: 2/2/2013

API NUMBER

05 017 07741 00

Permit Number: _____ Expiration Date: 2/1/2015

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 48 hour notice of spud via electronic Form 42.
- 2) Set at least 450' of surface casing.
- 3) Cement production casing from TD to at least 200' above shallowest completed interval or 200' above Shawnee whichever is shallower and stage cement from 2450'-1750' (Cheyenne-Dakota). Run CBL to verify.
- 3) If well is a dry hole set the following plugs: 40 sks cement 50' above MSSP, 40 sks cement 50' above SHWNE 40 sks cement above any DST w/ show, 40 sks cement 50' below base of Cheyenne (2450' up), 40 sks cement 50' above top of Dakota (1750' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement in rat hole and mouse hole.

Attachment Check List

Att Doc Num	Name
400373972	FORM 2 SUBMITTED
400374023	MINERAL LEASE MAP
400374024	SURFACE AGRMT/SURETY
400374026	PLAT

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no public comment received.	2/1/2013 8:18:00 AM
Permit	This well is a lost hole skid rig situation. The 2A for this location was recently passed and approved. Nothing has changed at the well site from the information approved on the original form 2A an form 2 other than the skid. This form 2 is being expedited to allow Pronghorn to continue drilling at this location.	1/25/2013 6:06:02 AM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)