

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:

400339866

Date Received:

02/11/2013

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: Raindance FD Well Number: 29-4D

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

9. Proposed Total Measured Depth: 7376

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 30 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.463200 Longitude: -104.927067

Footage at Surface: 653 feet FNL 169 feet FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4789 13. County: WELD

14. GPS Data:

Date of Measurement: 09/28/2012 PDOP Reading: 2.0 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
660 FNL 660 FWL 660 FNL 660 FWL
Sec: 29 Twp: 6N Rng: 67W Sec: 29 Twp: 6N Rng: 67W

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: 365 ft

18. Distance to nearest property line: 365 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 912 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	W2NW/4

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):

Mineral lease includes the attached map and other lands

25. Distance to Nearest Mineral Lease Line: 652 ft

26. Total Acres in Lease: 1230

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	600	277	600	0
1ST	7+7/8	4+1/2	11.6	0	7,376	771	7,376	3,252

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, a request for approval and proposed spacing unit is attached. Spacing description: W2NW4 of Section 29.

34. Location ID: 427917

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: 2/11/2013

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: 3/15/2013

API NUMBER

05 123 37003 00

Permit Number: _____ Expiration Date: 3/14/2015

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.

Operator must meet Water Well Testing requirements as per amended Rule 318Ae(4)

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 and from 200'. Verify coverage with a cement bond log.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2165700	WAIVERS
2485508	SURFACE CASING CHECK
400339866	FORM 2 SUBMITTED
400379424	DIRECTIONAL DATA
400379425	DEVIATED DRILLING PLAN
400379426	PLAT
400379427	EXCEPTION LOC REQUEST
400379429	PROPOSED SPACING UNIT
400379430	MINERAL LEASE MAP
400379431	SURFACE AGRMT/SURETY

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	3/6/2013 10:01:25 AM
Permit	Lease description corrected as per opr. Attached exception location waiver as per opr. Ready to pass pending public comment 3/5/13.	2/26/2013 4:17:18 PM
Permit	Corrected spacing and deleted proposed spacing unit as per opr. Operator requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Request and waivers attached.	2/14/2013 1:21:31 PM
Permit	Passed completeness	2/12/2013 7:54:34 AM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Material Handling and Spill Prevention	Material Handling and Spill Prevention (SPCC) Spill Prevention Control and Countermeasures (SPCC) plans are 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.

Storm Water/Erosion Control	<p>Storm Water Management Plans (SWMP)</p> <p>Storm Water Management Plans (SWMP) are 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 and Environment (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>
General Housekeeping	<p>Housekeeping</p> <p>General 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>
Site Specific	<p>Sensitive Area</p> <p>The location has been deemed a sensitive area because of the presence of permeable subsurface material and shallow ground water. The tank battery will be constructed with a liner sufficiently impermeable to prevent produced fluids from impacting the ground water.</p> <p>This location is in a sensitive area due to the shallow ground water and the proximity to surface water. Therefore Great Western Oil & Gas will not have flow back or production pits at this location. Berm will be constructed sufficient to protect the location and recreational pond east of the location from any release of completion or produced fluids and chemical products.</p>
Site Specific	<p>Town of Windsor</p> <p>Great Western is aware of the Conditional Use Grant process with the Town of Windsor and will comply with such process and COA's in addition to the granting of the COGCC permit. In addition to the CUG process Great Western will implement the following for this location:</p> <ol style="list-style-type: none"> 1. Traffic associated with drilling, completion, and production activities shall be limited to a reasonable speed and posted signs. 2. Appropriate signs for crossing the Poudre Trail for the safety of the town users of the trail and the vehicles crossing.
Drilling/Completion Operations	<p>Noise and Light Pollution Mitigation</p> <p>Noise levels will be maintained at levels not to exceed COGCC specifications currently in existence, measured at a point 350' from the noise source, or as defined by current COGCC regulations. Where possible, drilling rig engine exhaust will be vented away from occupied buildings. Light sources will likewise be directed downwards and away from occupied buildings. Light sources will likewise be directed downwards, and away from occupied structures where possible. No special noise mitigation efforts should be required at this site. Once the drilling and completion rigs leave the site, there will be no permanently installed lighting on site. In addition a sound barrier around the vapor recovery compressors will be installed.</p>

Total: 6 comment(s)