

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:

400385595

Date Received:

03/06/2013

PluggingBond SuretyID

20090078

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: PDC ENERGY INC

4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

6. Contact Name: Julie Webb Phone: (303)339-4400 Fax: (303)399-4399

Email: jwebb@progressivepcs.net

7. Well Name: O Investment Properties Well Number: 6Y-241

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

9. Proposed Total Measured Depth: 11450

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 6 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.511090 Longitude: -104.697810

Footage at Surface: 500 feet FSL 266 feet FEL/FWL  
FEL

11. Field Name: Eaton Field Number: 19350

12. Ground Elevation: 4777 13. County: WELD

14. GPS Data:

Date of Measurement: 01/11/2013 PDOP Reading: 2.6 Instrument Operator's Name: Adam Kelly

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  
500 FSL 480 FEL 500 FNL 480 FEL  
Sec: 6 Twp: 6N Rng: 65W Sec: 6 Twp: 6N Rng: 65W

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: 285 ft

18. Distance to nearest property line: 266 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 580 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	NBRR		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#: 19990086

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):

Sec 6 T6N R65W See attached mineral lease maps. Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 480'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 110

### 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	9+5/8	36	0	875	830	875	0
1ST	8+3/4	7	26	0	7,452	650	7,452	500
1ST LINER	6+1/8	4+1/2	11.6	6254	11,450			

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

33. Comments 7" casing string will be cemented to at least 200' above Niobrara, around 500' from surface. CBL will only be run in the vertical section of the wellbore. Conductor casing will not be used. Operator requests an exception location per rule 318Aa and rule 318Ac: well will not be drilled in a legal drilling window or twinned with an existing well. Waivers attached. Per rule 318Ae, the Operator requests the proposed spacing unit consisting of 160 acres, E2E2 of Sec 6 T6N R65W. Proposed spacing unit map and 30-day certificate is attached. There are no existing offset wells within 500'.

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: Julie Webb

Title: Regulatory Analyst Date: 3/6/2013 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: 4/30/2013

#### API NUMBER

05 123 37273 00

Permit Number: \_\_\_\_\_ Expiration Date: 4/29/2015

#### 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 acknowledges the proximity of the Harsh #1 (API# 123-11416) well. Operator agrees to: provide one of the six mitigation options (per the Interim Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic fracture treatment of this well.

On Wed, Mar 6, 2013 at 8:46 AM, Julie Webb wrote:  
Ryan,

I acknowledge the COA, and I will pass the information on.

Thank you,  
Julie Webb, Regulatory Analyst

- 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.

### **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
2114008	OFFSET WELL EVALUATION
2114028	MINERAL LEASE MAP
2482263	SURFACE CASING CHECK
400385595	FORM 2 SUBMITTED
400385796	WELL LOCATION PLAT
400385797	EXCEPTION LOC WAIVERS
400385798	30 DAY NOTICE LETTER
400385800	MINERAL LEASE MAP
400385802	EXCEPTION LOC REQUEST
400385803	DEVIATED DRILLING PLAN
400385804	DIRECTIONAL DATA
400385805	PROPOSED SPACING UNIT

Total Attach: 12 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Attached second Mineral Lease Map showing PDC mineral interest beneath the surface location. Ok to bond onto surface . Changed Total Acres in Lease, line 25, to 110 (82+28) Corrected distance to unit boundary from 500 ' to 480' in operator's lease description.	4/24/2013 1:55:57 PM
Permit	Operator accepted nearest well as 580'. Received and attached Offset Well Evaluation spreadsheet. Ready to pass.	4/17/2013 1:12:17 PM
Permit	Nearest well in the same formation appears to be Diana 6T-221 at 590'. Asked operator for clarification.	3/14/2013 9:27:00 AM
Engineer	Evaluated offset wells for adequate cement coverage.	3/11/2013 11:36:34 AM
Permit	This form has passed completeness.	3/7/2013 6:49:24 AM

Total: 5 comment(s)

## BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.
Drilling/Completion Operations	Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012. The Colorado Oil and Gas Conservation Commission (COGCC) has established this Policy Regarding Bradenhead Monitoring During Hydraulic Fracturing Treatments ("Treatment") in the Greater Wattenberg Area ("GWA") pursuant to COGCC 207.a. ("Policy"). This Policy applies to oil and gas operations in the GWA as defined by the COGCC Rules of Practice and Procedure.

Total: 2 comment(s)