

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:

400425902

Date Received:

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

20030028

3. Name of Operator: SWEPI LP4. COGCC Operator Number: 781105. Address: 4582 S ULSTER ST PKWY #1400City: DENVER State: CO Zip: 802376. Contact Name: Steve Compton Phone: (303)305-4017 Fax: (303)305-7554Email: C-Steven.Compton@shell.com7. Well Name: Dill Gulch Well Number: 1-228. Unit Name (if appl): Hayden State Unit Number: 1279. Proposed Total Measured Depth: 10400

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 22 Twp: 6N Rng: 88W Meridian: 6Latitude: 40.462247 Longitude: -107.256208

Footage at Surface: 2252 feet FNL/FSL 325 feet FEL/FWL FWL

11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 6550 13. County: ROUTT

14. GPS Data:

Date of Measurement: 09/05/2012 PDOP Reading: 2.1 Instrument Operator's Name: G. McElroy15. 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 ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 963 ft18. Distance to nearest property line: 927 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 7430 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 | | | |

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: CO 90276.00122. 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):

Please see attached mineral lease map and mineral lease description.

25. Distance to Nearest Mineral Lease Line: 927 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: _____

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 | 30 | 20 | | 0 | 90 | 48 | 90 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 4,250 | 1,902 | 3,950 | 0 |
| 1ST | 8+1/2 | 7 | 29 | 0 | 7,750 | 57 | 7,750 | 6,950 |

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

33. Comments _____

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: Anne Baldrige

Title: Reg & Env Lead - Swan

Date: _____

Email: a.baldrige@shell.com

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: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Date retrieval failed for the subreport 'IntPolicy_NTO' located at: W:\natpub\Nat\Reports\policy_nto.rdl. Please check th

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------|
| 400427086 | PLAT |
| 400427087 | TOPO MAP |
| 400427088 | MINERAL LEASE MAP |
| 400428835 | MINERAL LEASE MAP |
| 400433789 | WELLBORE DIAGRAM |
| 400433791 | DRILLING PLAN |

Total Attach: 6 Files

General Comments

| User Group | Comment | Comment Date |
|------------|---------|--------------|
| | | |

Total: 0 comment(s)

BMP

| Type | Comment |
|--|--|
| Interim Reclamation | Shell will consult with and follow the recommendations of the County Weed Supervisor |
| Material Handling and Spill Prevention | Spill Prevention Control and Countermeasure Plans (SPCC) are in place to address material releases and to prescribe materials handling BMP's for the facility. "Good Housekeeping" measures will be taken to ensure proper waste disposal. |
| Storm Water/Erosion Control | <p>Storm Water management plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil and Gas Conservation Commission (COGCC) storm water discharge permits. The construction layout for this location details Best Management Practices (BMP's) to be installed during the initial construction. Note that BMP's may be removed, altered, or replaced with the changing conditions in the field and the SWMP will be updated accordingly. The BMP's prescribed for the initial construction phase include, but are not limited to:</p> <ul style="list-style-type: none">• Construct diversion ditch• Sediment Reservoirs• Check dams• Level spreaders• Stabilized construction entrance• Slash• Sediment Traps• Wattles• Terrace• Secondary containment berms• Detention ponds |

Total: 3 comment(s)