

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



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Date Received:

06/14/2013

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)381-3933 Fax: ()

Email: julie.webb@pdce.com

7. Well Name: Lofland Well Number: 22D-232

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

9. Proposed Total Measured Depth: 12556

## WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 22 Twp: 5N Rng: 65W Meridian: 6

Latitude: 40.378500 Longitude: -104.644530

Footage at Surface: 360 feet FNL/FSL 1287 feet FEL/FWL  
 FSL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4647 13. County: WELD

## 14. GPS Data:

Date of Measurement: 05/01/2013 PDOP Reading: 2.5 Instrument Operator's Name: Brian Rottinghaus

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  
 1008 FSL 468 FEL 1010 FSL 500 FEL  
 Sec: 22 Twp: 5N Rng: 65W Sec: 23 Twp: 5N 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: 312 ft

18. Distance to nearest property line: 360 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 137 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		400	GWA

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):

SESE of Section 22 (5N-65W) Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 500'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 40

### 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	7326	650	7326	500
1ST LINER	6+1/8	4+1/2	11.6	6122	12556			

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 400 acres, E2SE of Sec. 22 and S2 of Sec. 23 T5N R65W. Proposed spacing unit map and 30-day certificate is attached. Distance to nearest well was found on the anti-collision report in the directional plan.

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: 6/14/2013 Email: julie.webb@pdce.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: 8/10/2013

#### API NUMBER

05 123 37809 00

Permit Number: \_\_\_\_\_ Expiration Date: 8/9/2015

#### 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.

<b>COA Type</b>	<b>Description</b>
	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 and from 200' below Sussex to 200' above Sussex. Verify cement coverage with a cement bond log per 317.o.
	Operator acknowledges the proximity of the Buderus #13-23 API# 123-12541, Marie #1 -23 API# 123-12593, Brown #1-23 API# 123-12656, Susan #1-23 API# 123-12902, and Lofland #44-22 API# 123-13064 wells. Operator agrees to: provide mitigation option 1, 2 or 3 (per the DJ Basin 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 stimulation of this well.
	Operator must meet water well testing requirements per Rule 318A.

### **Applicable Policies and Notices to Operators**

Notice Concerning Operating Requirements for Wildlife Protection.

### **Attachment Check List**

<b>Att Doc Num</b>	<b>Name</b>
2166985	OFFSET WELL EVALUATION
400409090	FORM 2 SUBMITTED
400432422	PLAT
400432423	DEVIATED DRILLING PLAN
400432426	DIRECTIONAL DATA
400432429	30 DAY NOTICE LETTER
400432431	EXCEPTION LOC WAIVERS
400432440	EXCEPTION LOC REQUEST
400432454	PROPOSED SPACING UNIT
400432474	VARIANCE REQUEST

Total Attach: 10 Files

### **General Comments**

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Permit	Operator requests approval of a Rule 318Am exception location: Wellbore is to be located less than 150' from an existing wellbore. Request and waivers attached.  Final review complete.	8/8/2013 10:18:52 AM
Engineer	Evaluated offset wells for adequate isolation.	6/25/2013 2:22:02 PM
Permit	Attached Offset well evaluation sheet.	6/25/2013 12:15:31 PM
Permit	Missing the offset well evaluation. Opr notified.	6/20/2013 12:59:25 PM
Permit	Corrected formation code. Form passes completeness.	6/17/2013 2:27:32 PM

Total: 5 comment(s)

## **Best Management Practices**

No	BMP/COA Type	Description
1	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.
2	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)