

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:

2166794

Date Received:

05/16/2013

PluggingBond SuretyID

20100059

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: CHEMCO INC

4. COGCC Operator Number: 16520

5. Address: 558 CASTLE PINES PKWY UTB4#402

City: CASTLE ROCK State: CO Zip: 80104

6. Contact Name: G.H. NEHER Phone: (303)771-7777 Fax: (303)773-9021

Email: G.H.NEHER@CHEMCO-OG.COM

7. Well Name: DONOHOE Well Number: 4A-2

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

9. Proposed Total Measured Depth: 5000

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 2 Twp: 19S Rng: 45W Meridian: 6

Latitude: 38.434830 Longitude: -102.430050

Footage at Surface: 2140 feet FNL/FSL 1914 feet FEL/FWL
FNL FWL

11. Field Name: CAVALRY Field Number: 10340

12. Ground Elevation: 3929 13. County: KIOWA

14. GPS Data:

Date of Measurement: 03/23/2013 PDOP Reading: 2.7 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: 1914 ft

18. Distance to nearest property line: 500 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 900 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.)
MISSISSIPPIAN	MSSP	213-7	80	E/2NW

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):

25. Distance to Nearest Mineral Lease Line: 501 ft26. Total Acres in Lease: 160**DRILLING PLANS AND PROCEDURES**27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.28. Will salt sections be encountered during drilling? ☐ Yes ☒ No29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No31. Mud disposal: ☐ Offsite ☒ Onsite**If 28, 29, or 30 are "Yes" a pit permit may be required.**Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal FacilityOther: DRY & BACKFILL

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	300	175	300	0
1ST	7+7/8	5+1/2	15.5	0	5000	265	5000	3000
			Stage Tool	0	2500	260	2500	0

32. BOP Equipment Type: ☒ Annular Preventer ☐ Double Ram ☐ Rotating Head ☐ None33. Comments WELL OFFSETS DONOHUE #4 05-061-06502 PXA 09/0634. Location ID: 38466235. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No36. 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: G.H. NEHERTitle: PRESIDENTDate: 5/14/2013 Email: G.H.NEHER@CHEMCO-

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: 9/3/2013**API NUMBER**

05 061 06889 00

Permit Number: _____ Expiration Date: 9/2/2015**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.

COA Type	Description
	<p>1) Provide 48 hour notice prior to spud via electronic Form 42.</p> <p>2) Ensure cement coverage of production casing to at least 200' above the shallowest productive interval (or 50' above MRRW whichever is shallower) and 50' below to 50' above Cheyenne/Dakota (1400' - 700'). Verify w/ CBL.</p> <p>3) If well is a dry hole set the following plugs: 40 sks cement +/- 50' above the STLS, 40 sks cement +/- 50' above the MRRW, 40 sks cement across any DST w/ show, 40 sks cement 50' below base of Cheyenne (1400' up), 40 sks cement 50' above top of Dakota (700' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.</p>

Attachment Check List

Att Doc Num	Name
2166794	FORM 2 SUBMITTED
2166795	WELL LOCATION PLAT
2166796	LOCATION DRAWING
2166797	ACCESS ROAD MAP
2518508	SURFACE AGRMT/SURETY

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
Permit	Final review completed. No LGD or public comments received.	8/27/2013 1:50:41 PM
Permit	The operator does not anticipate encountering any salt sections.	8/27/2013 1:49:42 PM
Permit	Well is located 146 feet from dry hole located at 1980 fnl and 1980 fsl.	8/21/2013 12:06:39 PM
Permit	Operator submitted signed SUA with the form 2A 7/16/2013	7/17/2013 12:31:29 PM
Permit	Operator given a deadline of Friday 7/12/2013 to get form 2A and SUA submitted.	7/12/2013 8:53:52 AM
Permit	Rquested an update on the right to construct or advised to withdraw and submit later. Operator replied that an SUA has been agreed upon and that he would submit it with the form 2A when it is signed. Signed SUA may be available by end of June. Location is 501 and the lease line. May require an exception location. Further review needed.	6/11/2013 12:15:25 PM
Permit	On hold for completeness until there is indication that a form 2A is being compiled.	6/10/2013 6:38:46 AM
Permit	Lease information received. There is no right to construct checked. Requested clarification.	5/31/2013 4:05:06 PM
Permit	Operator sending lease information. Form 1a has been processed.	5/30/2013 2:53:12 PM
Permit	Operator is sending the form 1A and is composing the form 2A. They have the attachments but need the photographs	5/29/2013 2:21:06 PM
Permit	As of 5/28/13 still no designated agent or form 2A.	5/28/2013 5:14:58 AM
Permit	This APD can not be processed at this time, as there are no designated agents for Chemco Inc.. Also, there apparently is no Form 2A for this location either. Requested operator supplied Form 1A and a Form 2A. Will not return to DRAFT as this was submitted as paper form and therefore not easily found while reviewing "completeness" documents. Also, documents will not open.	5/17/2013 5:52:28 AM

Total: 12 comment(s)

Best Management Practices

No **BMP/COA Type**

Description

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