

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:

400449087

Date Received:

07/25/2013

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

20120099

3. Name of Operator: MENDELL FINISTERRE II LLC 4. COGCC Operator Number: 10474

5. Address: 7979 IVANHOE AVENUE #300
City: SAN DIEGO State: CA Zip: 92037

6. Contact Name: CLAYTON DOKE Phone: (303)216-0703 Fax: (303)216-2139
Email: cdoke@iptengineers.com

7. Well Name: AFTON Well Number: 12-16H-4

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

9. Proposed Total Measured Depth: 12600

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 12 Twp: 1S Rng: 68W Meridian: 6

Latitude: 39.973590 Longitude: -104.942050

Footage at Surface: 598 feet FSL 495 feet FEL

11. Field Name: SPINDLE Field Number: 77900

12. Ground Elevation: 5153 13. County: ADAMS

14. GPS Data:

Date of Measurement: 07/01/2013 PDOP Reading: 1.9 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
460 FSL 495 FEL 460 FNL 495 FEL
Sec: 12 Twp: 1S Rng: 68W Sec: 12 Twp: 1S Rng: 68W

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: 191 ft

18. Distance to nearest property line: 133 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 370 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.)
CODELL	CODL		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#:

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):

TOWNSHIP 1 SOUTH, RANGE 68 WEST, SECTION 12; E/2 E/2

25. Distance to Nearest Mineral Lease Line: 460 ft

26. 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 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

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.

If 28, 29, or 30 are "Yes" a pit permit may be required.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	13+1/2	9+5/8	36	0	1250	1035	1250	0
1ST	8+3/4	7	23	0	8334	857	8384	3000
1ST LINER	6+1/8	4+1/2	11.6	7500	12600			

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

33. Comments No conductor casing will be run. Pad slot #4. This well is a Rule 318A.a.(4)D Horizontal GWA Well; Proposed Spacing Unit: E/2E/2 of Section 12, T1S, R68W. PSU Map is attached. Well distance to nearest spacing unit boundary = 460'. Operator is the only owner as defined in C.R.S. §34-60-103(7) within the proposed spacing unit and waives notification and 30-day Rule 318A.e(6). A document that waives the 30 day notification is attached to Proposed Spacing Unit Map. Operator respectfully requests a Rule 318A.c, 603.a.(2), and 604.a.(1) exception location. This location is greater than 50' from an existing well, within 150' of a property line, and within 500' of a building unit. Request and waivers are attached. The distance cited in Question 17 is in relation to an above ground utility. The distance to the nearest building is 276' to the southeast. SUA is attached. Document attached as "Other" contains maps and a description of surface owner's property to supplement the SUA. PICO respectfully requests that the Rule 318A.a.(4)D Horizontal well and proposed spacing unit be approved.

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: CLAYTON DOKE

Title: SENIOR ENGINEER Date: 7/25/2013 Email: cdoke@iptengineers.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: 11/1/2013

API NUMBER
05 001 09778 00

Permit Number: _____ Expiration Date: 10/31/2015

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.

Description

- 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU..
- 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2157260	CORRESPONDENCE
2157283	EXCEPTION LOC WAIVERS
400449087	FORM 2 SUBMITTED
400449736	WELL LOCATION PLAT
400449738	DEVIATED DRILLING PLAN
400449742	DIRECTIONAL DATA
400454599	OFFSET WELL EVALUATION
400459354	OTHER
400459358	EXCEPTION LOC REQUEST
400459360	EXCEPTION LOC WAIVERS
400460248	PROPOSED SPACING UNIT
400490171	SURFACE AGRMT/SURETY
400490174	EXCEPTION LOC WAIVERS

Total Attach: 13 Files

General Comments

User Group	Comment	Comment Date
Permit	LGD comments address access points. No public comments. Final Review--passed.	10/31/2013 2:28:22 PM
Engineer	LARAMIE-FOX HILLS 4177 4425 154.9 976 728 37.18 NT	10/30/2013 7:19:45 PM
Permit	Attached signed waiver from C. Pulis for exception location request to 318A.a and 318A.c.	10/23/2013 9:58:58 AM
LGD	Although, no documentation was submitted as to access location points, it is assumed that this site is already served by existing access points. Adams County will approve all access points into this location.	10/18/2013 4:03:09 PM
Permit	Requested signed copies of waivers from Carolee Pulis. Corrected operator name & # to Mendell Finisterre II LLC, #10474, per oper.'s instructions. Pico Niobrara is part of the same corporate entity as Mendell Finisterre.	10/4/2013 7:51:51 AM
Permit	This form has passed completeness.	10/4/2013 7:43:10 AM

Total: 6 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Bradenhead Monitoring BMP: Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.
2	Drilling/Completion Operations	Anti-Collision BMP: 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 wells. 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.

Total: 2 comment(s)