

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:

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Date Received:

07/31/2013

PluggingBond SuretyID

20100013

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: SCHNEIDER ENERGY SERVICES INC 4. COGCC Operator Number: 76840

5. Address: P O BOX 297
City: FORT MORGAN State: CO Zip: 80701

6. Contact Name: Jeff Reale Phone: (303)947-1387 Fax: (970)667-0046
Email: jeff@mistymountainop.com

7. Well Name: Goza Well Number: 2-Ae

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

9. Proposed Total Measured Depth: 7595

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 18 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.485730 Longitude: -104.699410

Footage at Surface: 1728 feet FSL 711 feet FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4756 13. County: WELD

14. GPS Data:

Date of Measurement: 07/11/2013 PDOP Reading: 2.5 Instrument Operator's Name: C.V.M.

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 _____
0 FSL 1326 FEL 0 FSL 1326 FEL
Sec: 18 Twp: 6N Rng: 65W Sec: 18 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: 226 ft

18. Distance to nearest property line: 152 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 900 ft

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.)
NIORARA-CODELL	NB-CD		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):

E/2SE/4 Section 18, T6N, R65W

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 80

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	8+5/8	24	0	525	370	525	0
1ST	7+7/8	4+1/2	11.6	0	7595	650	7595	3000

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

33. Comments No conductor casing will be set. BHL fall on the South section line of section 18. Spacing unit configuration: S/2SE/4 sec 18 and N/2/NE/4 sec 19.

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: Jeff Schneider

Title: President Date: 7/31/2013 Email: jeff@schneiderenergy.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: 11/9/2013

API NUMBER: **05 123 38401 00** Permit Number: _____ Expiration Date: 11/8/2015

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 TD to a minimum of 200' above Niobrara. 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.

Operator must meet water well testing requirements per Rule 318A.

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

<u>Att Doc Num</u>	<u>Name</u>
2114359	EXCEPTION LOCATION REQUEST
2114360	EXCEPTION LOCATION REQUEST
2114361	EXCEPTION LOCATION WAIVERS
2114362	EXCEPTION LOCATION WAIVERS
2114368	PROPOSED SPACING UNIT
2114369	PROPOSED SPACING UNIT
400461164	FORM 2 SUBMITTED
400461190	WELL LOCATION PLAT
400461191	TOPO MAP
400461193	DEVIATED DRILLING PLAN
400461513	DIRECTIONAL DATA
400461515	SURFACE AGRMT/SURETY
400462883	30 DAY NOTICE LETTER

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Received Exception Location Requests and Waivers. Received corrected Proposed Spacing Unit attachments. Ready to pass.	11/4/2013 11:01:03 AM
Permit	Operator ok'd field name change, and distances to nearest well, property line and closest well. Operator gave corrected mineral lease description. Total acres in lease is 80. This mineral lease is contained in the spacing unit. Added the spacing unit configuration to comment box. WO Proposed Spacing Unit attachment and Exception Location Requests and Waivers	9/16/2013 1:57:09 PM
Permit	Changed field name to Wattenberg, field number to 90750. Closest building is 226'. 2A says property line is 152'. Does not agree with 711'. Closest well in same formation is Goza 18-44 at 900'. Mineral lease description of NESE section does not match acreage of 160. 30 day certification letter is missing on Proposed Spacing Unit attachment. Spacing Unit Plat is mislabeled. Should be S/2SE/4 sec 18 and N/2/NE/4 sec 19. Described mineral lease NESE sec 18 is not in the spacing unit. Corrected related form to 2A for wells not tank battery. SHL is not in a window and is an Exception location.	9/12/2013 3:58:20 PM
Permit	Passed completeness.	3/2/2013 1:46:00 PM
Permit	Operator submitted separated Proposed Spacing Unit map.	3/2/2013 1:45:17 PM
Permit	Returned to DRAFT. Requested that the 30 day notice letter and the Proposed Spacing unit be separated, label, attached and resubmitted.	8/2/2013 10:34:29 AM
Permit	Returned to draft. Deviated drilling plan does not match total MD, missing proposed spacing unit, and missing related forms.	8/1/2013 12:05:40 PM

Total: 7 comment(s)

Best Management Practices

No BMP/COA Type

Description