

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> COALBED <input checked="" type="checkbox"/> OTHER <u>pilot hole</u>	Refiling <input checked="" type="checkbox"/>
ZONE TYPE SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Sidetrack <input type="checkbox"/>

Date Received:
02/18/2014

Well Name: SE Bayfield 34-7 Well Number: #12U-3A

Name of Operator: SAMSON RESOURCES COMPANY COGCC Operator Number: 76104

Address: TWO WEST SECOND ST

City: TULSA State: OK Zip: 74103

Contact Name: Judi Kohn Phone: (303)222.0964 Fax: ()

Email: jkohn@samson.com

RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 19820016

WELL LOCATION INFORMATION

QtrQtr: SWNW Sec: 12 Twp: 34N Rng: 7W Meridian: M

Latitude: 37.206080 Longitude: -107.566750

Footage at Surface: 2482 feet FNL 477 feet FWL

Field Name: IGNACIO BLANCO Field Number: 38300

Ground Elevation: 6789 County: LA PLATA

GPS Data:
Date of Measurement: 06/02/2011 PDOP Reading: 0.0 Instrument Operator's Name: Richard B. Gabriel

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
<u>1972</u>	<u>FNL</u>	<u>844</u>	<u>1820</u>	<u>FNL</u>	<u>954</u>
	<u>FWL</u>			<u>FWL</u>	
Sec: <u>12</u>	Twp: <u>34N</u>	Rng: <u>7W</u>	Sec: <u>12</u>	Twp: <u>34N</u>	Rng: <u>7W</u>

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: Fee State Federal Indian

The Surface Owner is: is the mineral owner beneath the location.
(check all that apply) is committed to an Oil and Gas Lease.
 has signed the Oil and Gas Lease.
 is the applicant.

The Mineral Owner beneath this Oil and Gas Location is: Fee State Federal Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: oil and gas lease

Surface damage assurance if no agreement is in place: _____ Surface Surety ID: _____

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

NW/4 Section 12, T34N-R7W, N.M.P.M.

Total Acres in Described Lease: 160 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 844 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1230 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 2550 Feet

Above Ground Utility: 2100 Feet

Railroad: 5280 Feet

Property Line: 158 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).

- Enter 5280 for distance greater than 1 mile.

- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.

- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: Buffer Zone
 Exception Zone
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit

- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.

- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 831 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 844 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
FRUITLAND COAL	FRLDC	112-235	320	N/2

DRILLING PROGRAM

Proposed Total Measured Depth: 2925 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 831 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type: Annular Preventor Double Ram Rotating Head None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 608

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Other

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

approved disposal facility

Beneficial reuse or land application plan submitted?

Reuse Facility ID: or Document Number:

CASING PROGRAM

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	369	250	369	0
1ST	7+7/8	5+1/2	17	0	2924	408	2924	0

Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number

OTHER LOCATION EXCEPTIONS

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments Nothing has changed since the last filing of this permit.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 427822

Is this application being submitted with an Oil and Gas Location Assessment application? No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Annaliese Kosmicki

Title: Land Technician Date: 2/18/2014 Email: akosmicki@samson.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: 3/29/2014

Expiration Date: 03/28/2016

API NUMBER

05 067 09879 00

Conditions Of Approval

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.

<u>COA Type</u>	<u>Description</u>
	Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.
	<ol style="list-style-type: none">1) Provide 48 hour notice of spud to COGCC via form 422) Set at least 369' of surface casing per Rule 317 (f) cement to surface3) Provide cement coverage of production casing from TD to surface. Verify cement coverage with Cement Bond Log.4) Run and submit Directional Survey from TD to kick-off point5) The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the well bore complies with setback requirements in Commission orders and/or rules prior to producing the well.6) Sample and test two closest water wells within 1/4 mile swath of the directional wellbore.7) Operators are required to obtain a bottom hole pressure utilizing a bottom hole gauge after a minimum 48 hour shut-in period following completion and prior to sales8) Comply with all applicable provisions of Order 112-1819) Borehole problems encountered while drilling that require an unplanned sidetrack: Contact, discuss & receive prior approval from COGCC Regional Engineer – Mark Weems 970-259-4587 off 970-749-0624 cell mark.weems@state.co.us

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
1857418	SELECTED ITEMS REPORT
400553588	FORM 2 SUBMITTED
400556010	DIRECTIONAL DATA
400556011	DRILLING PLAN
400556036	DRILLING PLAN
400556038	MULTI-WELL PLAN
400556040	WELL LOCATION PLAT
400556733	OIL & GAS LEASE
400556734	OIL & GAS LEASE
400556736	MINERAL LEASE MAP

Total Attach: 10 Files

General Comments

User Group	Comment	Comment Date
Permit	Final review completed; no LGD or public comment received.	3/26/2014 5:18:45 AM
Permit	This permit is the pilot of a pilot/lateral drilling plan. Approval of this permit must precede the approval of the lateral in order that API sidetrack designations be correct.	3/26/2014 5:15:01 AM
Permit	Passed completeness.	2/20/2014 3:05:51 PM
Permit	Returned to draft: Contact nor Submitter are COGCC registered agents. Appropriate boxes are not checked for right to construct to be oil and gas lease.	2/19/2014 12:52:15 PM

Total: 4 comment(s)