

**APPLICATION FOR PERMIT TO:**

**Drill**       Deepen       Re-enter       Recomplete and Operate

TYPE OF WELL	OIL <input type="checkbox"/>	GAS <input checked="" type="checkbox"/>	COALBED <input type="checkbox"/>	OTHER _____	Refilling <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: 06/26/2014

Well Name: WhF      Well Number: DHS5C-20 D17998

Name of Operator: BLACK HILLS PLATEAU PRODUCTION LLC      COGCC Operator Number: 10150

Address: 1515 WYNKOOP ST STE 500

City: DENVER      State: CO      Zip: 80202

Contact Name: Jessica Donahue      Phone: (720)210-1333      Fax: (303)566-3344

Email: Jessica.Donahue@blackhillscorp.com

**RECLAMATION FINANCIAL ASSURANCE**  
Plugging and Abandonment Bond Surety ID: \_\_\_\_\_

**WELL LOCATION INFORMATION**

QtrQtr: NWNW      Sec: 17      Twp: 9S      Rng: 98W      Meridian: 6

Latitude: 39.277422      Longitude: -108.359039

Footage at Surface: 1001 feet      FNL/FSL FNL 771 feet      FEL/FWL FWL

Field Name: BRONCO FLATS      Field Number: 7563

Ground Elevation: 5774      County: MESA

GPS Data:  
Date of Measurement: 03/22/2012      PDOP Reading: 1.9      Instrument Operator's Name: Ted Taggart

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>693</u>	<u>FNL</u> <u>1966</u>	<u>FWL</u>	<u>9</u>	<u>FSL</u> <u>1967</u>	<u>FWL</u>
Sec: <u>17</u>	Twp: <u>9S</u>	Rng: <u>98W</u>	Sec: <u>20</u>	Twp: <u>9S</u>	Rng: <u>98W</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.)

COC 12645 (SHL) T9S R98W Sect. 17: All;  
COC 12645A (BHL) T9S R98W Sect. 18: Lots 1-4, E/2W/2, E/2; Sect. 19: Lots 1-4, NENW, NE, SENW, SE; Sect. 20: W/2SW

Total Acres in Described Lease: 2467 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # COC12645A

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 9 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 5280 Feet  
Building Unit: 5280 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 515 Feet  
Above Ground Utility: 5280 Feet  
Railroad: 5280 Feet  
Property Line: 5280 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: 1258 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 7122 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Whittaker Flats Unit Number: COC075909X

**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.)
MANCOS	MNCS			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 16577 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1258 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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     609    

**DRILLING WASTE MANAGEMENT PROGRAM**

Drilling Fluids Disposal:     ONSITE          Drilling Fluids Disposal Methods:     Other    

Cuttings Disposal:     OFFSITE          Cuttings Disposal Method:     Commercial Disposal    

Other Disposal Description:

    Recycle and bury    

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
CONDUCTOR	30	20	Line	0	120	319	120	0
SURF	14+3/4	10+3/4	41	0	1000	469	1000	0
1ST	9+7/8	7+5/8	26	0	5000	671	5000	0
2ND	6+3/4	4+1/2	12	0	16577	1026	16577	200

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

There have been no changes to this location.  
I certify that there have been no changes on land use nor lease description.  
I certify there have been no changes on land use, lease description.  
The pad has been built. Two wells have already been drilled off of the pad last year.  
No pit will be used.  
There will be no additional surface disturbance.  
The location does not require a variance.  
The location is not within a wildlife RSO.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 429734

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: Jessica Donahue

Title: Regulatory Technician Date: 6/26/2014 Email: Jessica.Donahue@blackhillscor

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:  Director of COGCC Date: 8/10/2014

Expiration Date: 08/09/2016

API NUMBER

05 077 10205 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.

### COA Type

### Description

	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.
	1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED. SEE ATTACHED NOTICE.  2) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE (7 5/8" 1ST STRING) TO A MINIMUM OF 200' ABOVE TOP OF GAS. VERIFY CEMENT WITH A CEMENT BOND LOG.  3) Operator acknowledges the proximity of the listed well. Operator agrees to provide mitigation option 2 (per the Interim Statewide 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 ("OFFSET MITIGATION COMPLETED") stating that appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. USA 1-17JC (API#077-08314)

## Best Management Practices

### No BMP/COA Type

### Description

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## Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

## Attachment Check List

### Att Doc Num

### Name

400633664	FORM 2 SUBMITTED
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Total Attach: 1 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed on this refile. No LGD comments.	3/6/2014 1:22:02 PM
Permit	Operator requested the insertion of refile statements.	3/6/2014 1:20:59 PM
Engineer	<p>Offset well evaluation: Offset well USA 1-17JC (API#077-08314) Form 6 NOI to abandon has been approved by COGCC. USA 1-17JC is about 985' from the portion of the wellbore planned for completions. Offset well USA 1-JC (API#077-08371) has been plugged and abandoned (Form 6 SRA in process).</p> <p>THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THERE ARE NO WATER WELLS WITHIN 1-MILE OF THE SURFACE LOCATION.</p> <p>Casing tab - changed 2nd string to 1st string and 3rd string to 2nd string.</p> <p>The operator's plan to ensure Top of Cement for the production casing (4 1/2" 2nd string) to be a minimum of 200' above the top of the Mancos is acceptable.</p>	7/2/2014 9:50:08 AM
Permit	Passed completeness. Attachments removed.	6/30/2014 1:20:48 PM
Permit	Return to draft. Refile appears to have no changes but has attachments.	6/27/2014 2:06:35 PM

Total: 5 comment(s)