

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

400029101

Plugging Bond Surety

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

 OIL ☐ GAS ☒ COALBED ☐ OTHER _____
 SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☒
Refiling ☒Sidetrack ☐

3. Name of Operator: BLACK HILLS PLATEAU PRODUCTION LLC

4. COGCC Operator Number: 10150

5. Address: 1500 WYNKOOP ST STE 500

City: DENVER State: CO Zip: 80202

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

Email: Jessica.Donahue@blackhillscorp.com

7. Well Name: Horseshoe Canyon Well Number: 3-22

8. Unit Name (if appl): HorseshoeCanyon Unit Number: COC047635
X

9. Proposed Total Measured Depth: 8564

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 22 Twp: 9s Rng: 97w Meridian: 6

Latitude: 39.258590 Longitude: -108.212570

 Footage at Surface: 2466 FNL/FSL 418 FEL/FWL
 FSL FWL

11. Field Name: Shire Gulch Field Number: 77450

12. Ground Elevation: 5402 13. County: MESA

14. GPS Data:

Date of Measurement: 01/19/2007 PDOP Reading: 3.1 Instrument Operator's Name: Brock Slaugh

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
 1168 FSL 1099 FWL 1168 FSL 1099 FWL
 Sec: 22 Twp: 9s Rng: 97w Sec: 22 Twp: 9s Rng: 97w
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: 3768 ft

18. Distance to nearest property line: 418 ft 19. Distance to nearest well permitted/completed in the same formation: 2000 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.)
Cedar Mountain	CDMTN			
Dakota	DKTA			
Mesaverde	MVRD			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC012644
A

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 Bon ☐ \$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):
T9S R97W Sect 19: NE4/NE4, S2/NE4, SE4/SW4, SE4, Lots 1-4; Sect 21: N2, N2/S2, SE4/SE4; Sect 22: W2

25. Distance to Nearest Mineral Lease Line: 1168 ft 26. Total Acres in Lease: 1308

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

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.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR	20	16	94#	40		40	0
SURF	12+1/4	9+5/8	36#	3,255	3,015	3,225	0
1ST	7+7/8	5+1/2	17#	8,564	490	8,564	2,275

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

33. Comments _____

34. Location ID: 311759

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: Jessica Donahue

Title: Regulatory Technician Date: _____ Email: Jessica.Donahue@blackhillscor

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: _____

API NUMBER
05 077 09400 00

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name	Doc Description
400029152	FED. DRILLING PERMIT	HSC 3-22 BLM APD.pdf
400029153	WELL LOCATION PLAT	HSC 3-22 Well Location Plat.pdf
400029154	DRILLING PLAN	HSC#3-22_DRILLING PLAN 1-15-10.pdf
400029156	DEVIATED DRILLING PLAN	HSC 3-22 Plan 12-01-06 Revised.pdf
400029157	DEVIATED DRILLING PLAN	HSC 3-22 Plot 12-01-06 Revised.pdf

Total Attach: 5 Files