

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:

400024907

Plugging Bond Surety

20060007

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: Homer Deep Unit Well Number: 21-41

8. Unit Name (if appl): Homer Deep Unit Unit Number: COC72921X

9. Proposed Total Measured Depth: 9100

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 21 Twp: 8s Rng: 98w Meridian: 6

Latitude: 39.350270 Longitude: -108.324460

Footage at Surface: 627 FNL/FSL FNL 550 FEL/FWL FEL

11. Field Name: South Shale Ridge Field Number: 77760

12. Ground Elevation: 6258 13. County: MESA

14. GPS Data:

Date of Measurement: 01/25/2007 PDOP Reading: 1.9 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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 1 mi

18. Distance to nearest property line: 7550 ft 19. Distance to nearest well permitted/completed in the same formation: 1372 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 #: COC012735

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):
T8S R98W: Sect 15: W/2, W/2SE/4, SE/4SE/4; Sect. 16: ALL; Sect. 21: ALL; Sect. 22: ALL

25. Distance to Nearest Mineral Lease Line: 4653 ft 26. Total Acres in Lease: 2360

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	65#	40		40	0
SURF	12+1/4	9+5/8	36#	3,900	1,070	3,900	0
1ST	7+7/8	5+1/2	17#	9,100	465	9,100	7,600

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

33. Comments _____

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: Jessica Donahue

Title: Regulatory Technician Date: 1/4/2010 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: David S. Neslin Director of COGCC Date: 3/4/2010

API NUMBER

05 077 09439 00

Permit Number: _____ Expiration Date: 3/2/2012

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.

(1) 24-HOUR SPUD NOTICE REQUIRED. E-MAIL Shaun.Kellerby@state.co.us (2) CEMENT-TOP VERIFICATION BY CBL REQUIRED. (3) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. (4) 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. THE DEEPEST WATER WELL WITHIN 1-MILE IS 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400025063	DRILLING PLAN	LF@2211086 400025063
400026036	WELL LOCATION PLAT	LF@2211087 400026036
400026037	FORM 2 SUBMITTED	LF@2211088 400026037

Total Attach: 3 Files