

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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| DE | ET | OE | ES |
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Document Number:

2093556

Plugging Bond Surety

20010102

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: PETRO-CANADA RESOURCES (USA) INC

4. COGCC Operator Number: 72085

5. Address: 999 18TH ST STE 600

City: DENVER State: CO Zip: 80202-2499

6. Contact Name: JAN KAJIWARA Phone: (303)297-2300 Fax: (303)297-7708

Email: JKAJIWARA@SUNCOR.COM

7. Well Name: DF RANCH Well Number: 1161-9-22

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

9. Proposed Total Measured Depth: 8290

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 9 Twp: 11N Rng: 61W Meridian: 6

Latitude: 40.941640 Longitude: -104.217410

Footage at Surface: 660 FNL/FSL FNL 660 FEL/FWL FWL

11. Field Name: GROVER Field Number: 33380

12. Ground Elevation: 5253 13. County: WELD

14. GPS Data:

Date of Measurement: 09/22/2009 PDOP Reading: 2.4 Instrument Operator's Name: DARREN VEAL

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: 660 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation: 1850 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| DAKOTA | DKTA | | 40 | NWNW |
| J SAND | JSND | | 40 | NWNW |
| NIOBRARA-CODELL | NB-CD | | 40 | NWNW |

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 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):
SEE ATTACHED.

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 8337

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| SURF | 12+1/4 | 8+5/8 | 26 | 625 | 313 | 625 | 0 |
| 1ST | 7+7/8 | 5+1/2 | 17 | 8,190 | 100 | 8,190 | 7,365 |
| | | | Stage Tool | 7,265 | 800 | 7,265 | 400 |

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

33. Comments CONDUCTOR CASING WILL NOT BE UTILIZED

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: JAN KAJIWARA

Title: REGULATORY Date: 12/30/2009 Email: JKAJIWARA@SUNCOR.COM

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: 1/29/2010

API NUMBER

05 123 31090 00

Permit Number: _____ Expiration Date: 1/28/2012

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.

COGCC ENG COA - SME 1) Note surface casing setting depth change from 400' to 625'. Increase cement coverage accordingly and cement to surface. Set surface casing per Rule 317d, setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC. 2) Provide 24 hr notice of spud to Colby Horton at 970-467-2517 or e-mail at colby.horton @state.co.us . 3) If completed, cement coverage shall be at a minimum from the TD to 200' above Niobrara and at minimum set stage cement from 1250' to 50' above the surface casing shoe. Verify all placed cement with cement bond log and cementing tickets. 4) If dry hole, set 60 sks cement from 50' below D Sand base to 100' above D Sand top, 40 sks cement 50' above Niobrara top, 40 sks cement 1350', 50 sks cement ½ out, ½ in surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole. Restore surface location.

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Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|-------------------------|--------------------------|
| 2063654 | SELECTED ITEMS REPORT | LF@2212011 2063654.00000 |
| 2093556 | APD APPROVED | LF@2327547 2093556 |
| 2093558 | WELL LOCATION PLAT | LF@2205612 2093558 |
| 2093559 | TOPO MAP | LF@2205614 2093559 |
| 2093560 | 30 DAY NOTICE LETTER | LF@2205615 2093560 |
| 2093561 | LEGAL/LEASE DESCRIPTION | LF@2205616 2093561 |
| 400025324 | FORM 2 SUBMITTED | LF@2210173 400025324 |
| 400036605 | APD ORIGINAL | LF@2205611 400036605 |

Total Attach: 8 Files