

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



| | | | |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

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 ☐

Document Number:

2581778

Plugging Bond Surety

20090080

3. Name of Operator: _____ 4. COGCC Operator Number: _____

5. Address: _____

City: _____ State: _____ Zip: _____

6. Contact Name: _____ Phone: _____ Fax: _____

Email: _____

7. Well Name: HEINZE Well Number: 31-23

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

9. Proposed Total Measured Depth: 7100

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 31 Twp: 7N Rng: 63W Meridian: 6

Latitude: 40.528230 Longitude: -104.482150

Footage at Surface: 2001 FNL/FSL FSL 1884 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4748 13. County: WELD

14. GPS Data:

Date of Measurement: 10/10/2008 PDOP Reading: 2.4 Instrument Operator's Name: E. HERNANDEZ

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: 710 ft

18. Distance to nearest property line: 632 ft 19. Distance to nearest well permitted/completed in the same formation: 894 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| NIOBRARA-CODELL | NB-CD | | 80 | E/2, SW/4 |

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):
S/2 (EXCEPT UPRR RES.). SEC. 31, T7N, R63W, 6TH PM, WELD COUNTY, COLORADO

25. Distance to Nearest Mineral Lease Line: 632 ft 26. Total Acres in Lease: 316

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+7/8 | 8+5/8 | 24 | 500 | 265 | 500 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 7,100 | 525 | 7,100 | 3,000 |

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: _____

Title: _____ Date: _____ Email: _____

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: _____

API NUMBER

05 123 29758 00

Permit Number: _____ Expiration Date: 5/11/2012

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) Provide 24 hr notice of spud to Bo Brown at 970-330-6085 or email at bo.brown@state.co.us. 2) Set surface casing per Rule 317d, cement to surface. Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC. 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 4) If dry hole, 40 sks cement 50' above Niobrara top, 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 |
|-------------|----------------------|--------------------|
| 2581778 | APD ORIGINAL | LF@2448653 2581778 |
| 2581779 | WELL LOCATION PLAT | LF@2448654 2581779 |
| 2581780 | TOPO MAP | LF@2448655 2581780 |
| 2581781 | SURFACE AGRMT/SURETY | LF@2448756 2581781 |

Total Attach: 4 Files