

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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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:

400083752

Plugging Bond Surety

20070019

3. Name of Operator: ORR ENERGY LLC

4. COGCC Operator Number: 10154

5. Address: 1813 61ST AVE STE 200

City: GREELEY State: CO Zip: 80634

6. Contact Name: Virginia Lopez Phone: (303)928-7128 Fax: (303)423-8765
Email: virginia@petro-fs.com

7. Well Name: Smith Well Number: 26-31

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

9. Proposed Total Measured Depth: 7925

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 26 Twp: 10N Rng: 61W Meridian: 6

Latitude: 40.810448 Longitude: -104.171260

Footage at Surface: 699 FNL/FSL FNL 2020 FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5104 13. County: WELD

14. GPS Data:

Date of Measurement: 06/11/2010 PDOP Reading: 6.0 Instrument Operator's Name: Waylon Binger

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: 1836 ft 19. Distance to nearest well permitted/completed in the same formation: 4260 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.)
CODELL	CODL			
DAKOTA	DKTA			
J SAND	JSND			
NIOBRARRA	NBRR			

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):
Please see the attached mineral lease description.

25. Distance to Nearest Mineral Lease Line: 1836 ft 26. Total Acres in Lease: 980

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	24 pds	965	440	965	0
1ST	7+7/8	4+1/2	11.6 pds	7,925	800	7,925	0

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

33. Comments No conductor casing will be used.

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: Virginia Lopez

Title: Regulatory Technician Date: 8/10/2010 Email: virginia@petro-fs.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. Nashin Director of COGCC Date: 9/29/2010

API NUMBER

05 123 32284 00

Permit Number: _____ Expiration Date: 9/28/2012

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.

- 1) Provide 24 hr notice of spud to Bo Brown at 970-392-4124 or e-mail at bo.brown@state.co.us.
- 2) Note surface casing setting depth change from 500' to 965'. 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.
- 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, set 60 sks cement from 50' below D Sand base to 100' above D Sand top, 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 site per COGCC 1000 rules.

Attachment Check List

Att Doc Num	Name	Doc Description
400083752	FORM 2 SUBMITTED	LF@2537128 400083752
400083770	30 DAY NOTICE LETTER	LF@2537129 400083770
400083771	PLAT	LF@2537130 400083771
400083773	TOPO MAP	LF@2537131 400083773
400083774	LEGAL/LEASE DESCRIPTION	LF@2537132 400083774

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	removed surface surety bond with operator approval	9/7/2010 2:07:50 PM
Permit	Back to draft for correct Bonding info. kk	8/20/2010 9:48:38 AM
Permit	Back to draft for correct Bonding info	8/20/2010 9:48:19 AM

Total: 3 comment(s)

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