

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		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES
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:

400117497

Plugging Bond Surety

20010023

3. Name of Operator: <u>K P KAUFFMAN COMPANY INC</u>	4. COGCC Operator Number: <u>46290</u>
5. Address: <u>1675 BROADWAY, STE 2800</u>	
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>	
6. Contact Name: <u>Sherry Glass</u> Phone: <u>(303)825-4822</u> Fax: <u>(303)825-4825</u>	
Email: <u>sglass@kpk.com</u>	
7. Well Name: <u>Nelson-Stromquist</u>	Well Number: <u>#11-21-13H</u>
8. Unit Name (if appl): _____	Unit Number: _____
9. Proposed Total Measured Depth: <u>5925</u>	

WELL LOCATION INFORMATION

10. QtrQtr: <u>NESW</u> Sec: <u>21</u> Twp: <u>2N</u> Rng: <u>68W</u> Meridian: <u>6</u>
Latitude: <u>40.122215</u> Longitude: <u>-105.010340</u>
Footage at Surface: <u>1941</u> feet <u>FSL</u> <u>2059</u> feet <u>FWL</u>
11. Field Name: <u>Spindle</u> Field Number: <u>77900</u>
12. Ground Elevation: <u>4897</u> 13. County: <u>WELD</u>

14. GPS Data:
 Date of Measurement: 11/23/2010 PDOP Reading: 6.0 Instrument Operator's Name: Kipper Goldsberry

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
<u>1660</u>	<u>FSL</u>	<u>1749</u>	<u>810</u>	<u>FSL</u>	<u>810</u>
		<u>FWL</u>			<u>FWL</u>
Sec: <u>21</u>	Twp: <u>2N</u>	Rng: <u>68W</u>	Sec: <u>21</u>	Twp: <u>2N</u>	Rng: <u>68W</u>

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: 212 ft

18. Distance to nearest property line: 212 ft 19. Distance to nearest well permitted/completed in the same formation: 245 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.)
Sussex	SUSX	250	160	SW/4

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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#: 20010024
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):
SW/4 section 21-T2N-R68W
25. Distance to Nearest Mineral Lease Line: 212 ft 26. Total Acres in Lease: 160

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No
31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**
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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	30	0	900	350	900	0
1ST	8+3/4	7	26	0	4,686	325	4,686	0
2ND	6+1/8	4+1/2	11.6	0	5,857	200	5,857	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments No conductor casing will be used in drilling this well. SDA and/or SUA discussions are ongoing with Surface Owner and will be furnished via form 4 when complete. Cuttings will be buried in trench onsite. Pooled mineral owners in 160-acre wellbore only unit will be attached to permit. Wellbore is drilled from one GWA window to another GWA window, so no exception location waivers are needed. Lease is attached, with pooling agreement highlighted. Offset Stromquist #11-21(API# 05-123-23090) existing well will be twinned by this location, but pay will be encountered 418 ft away from that wellbore. All possible BMP will be observed in drilling this well.

34. Location ID: 336214
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: Sherry Glass
Title: Engineering Technician Date: 5/18/2011 Email: sglass@kpk.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. Noshin Director of COGCC Date: 6/9/2011

Permit Number: _____ Expiration Date: 6/8/2013

API NUMBER

05 123 33610 00

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 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from end of 7" to 200' above Sussex. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
400117497	FORM 2 SUBMITTED
400117511	PLAT
400117512	TOPO MAP
400128740	30 DAY NOTICE LETTER
400128745	LEASE MAP
400128746	PROPOSED SPACING UNIT
400157680	MINERAL LEASE MAP
400157681	DEVIATED DRILLING PLAN
400166260	CORRESPONDENCE

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)