

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES
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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:  
 400161132  
 Plugging Bond Surety  
 20090055

3. Name of Operator: PETERSON ENERGY OPERATING INC      4. COGCC Operator Number: 68710

5. Address: 2154 W EISENHOWER BLVD  
 City: LOVELAND    State: CO    Zip: 80537

6. Contact Name: CLAYTON DOKE    Phone: (970)669-7411    Fax: (970)669-4077  
 Email: cdoke@petersonenergy.com

7. Well Name: 392 VENTURES      Well Number: 32-22D

8. Unit Name (if appl): \_\_\_\_\_      Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 7860

**WELL LOCATION INFORMATION**

10. QtrQtr: SENW    Sec: 22    Twp: 6N    Rng: 67W    Meridian: 6  
 Latitude: 40.475387      Longitude: -104.880395

Footage at Surface:      FNL/FSL      FEL/FWL  
1563 feet    FNL    2415 feet    FWL

11. Field Name: WATTENBERG      Field Number: 90750

12. Ground Elevation: 4783      13. County: WELD

14. GPS Data:

Date of Measurement: 05/03/2011    PDOP Reading: 0.7    Instrument Operator's Name: JOSEPH STICE

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  
1984    FNL    1957    FEL    1984    FNL    1957    FEL  
 Sec: 22    Twp: 6N    Rng: 67W      Sec: 22    Twp: 6N    Rng: 67W

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: 222 ft

18. Distance to nearest property line: 195 ft    19. Distance to nearest well permitted/completed in the same formation: 877 ft

**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	407-87	80	S/2NE
J SAND	JSND		80	S/2NE
NIOBRARA	NBRR	407-87	80	S/2NE

**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#: 20090032  
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):  
Township 6 North, Range 67 West, Section 22; N/2  
25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 320

**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	8+5/8	24	0	400	300	400	0
1ST	7+7/8	4+1/2	11.6	0	7,860	270	7,860	6,710

32. BOP Equipment Type:  Annular Preventer  Double Ram  Rotating Head  None  
33. Comments Pad slot #: 10. No conductor casing will be run. Operator requests approval of a Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Attached Exception Location Request and Waiver.

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: CLAYTON DOKE  
Title: PETROLEUM ENGINEER Date: 6/16/2011 Email: cdoke@petersonenergy.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. Nesline Director of COGCC Date: 7/20/2011

**API NUMBER**  
05 123 34004 00  
Permit Number: \_\_\_\_\_ Expiration Date: 7/19/2013  
**CONDITIONS OF APPROVAL, IF ANY:**

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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 Bo Brown at e-mail bo.brown@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. 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
1694223	EXCEPTION LOC REQUEST
1694224	EXCEPTION LOC WAIVERS
400161132	FORM 2 SUBMITTED
400175610	DEVIATED DRILLING PLAN
400175611	PLAT

Total Attach: 5 Files

**General Comments**

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Permit	Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location: EXCEPTION GRANTED.	7/18/2011 10:23:40 AM
Permit	Changed the surface owner is the mineral owner to "No", and added surface bond # 20090032 per Clay Doke. Operator requests approval of a Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Attached Exception Location Request and Waiver.	7/18/2011 10:23:14 AM
Permit	Requesting an exception location letter.	6/22/2011 4:26:18 PM

Total: 3 comment(s)

**BMP**

<b>Type</b>	<b>Comment</b>

Total: 0 comment(s)