


<b>FORM</b> <b>2</b> Rev 12/05	<b>State of Colorado</b> <b>Oil and Gas Conservation Commission</b> 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				
<b>APPLICATION FOR PERMIT TO:</b>			Document Number:  400161124  Plugging Bond Surety  20090055				
1. <input checked="" type="checkbox"/> <b>Drill,</b> <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input checked="" type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>PETERSON ENERGY OPERATING INC</u> 4. COGCC Operator Number: <u>68710</u>							
5. Address: <u>2154 W EISENHOWER BLVD</u> City: <u>LOVELAND</u> State: <u>CO</u> Zip: <u>80537</u>							
6. Contact Name: <u>CLAYTON DOKE</u> Phone: <u>(970)669-7411</u> Fax: <u>(970)669-4077</u> Email: <u>cdoke@petersonenergy.com</u>							
7. Well Name: <u>392 VENTURES</u> Well Number: <u>31-22D</u>							
8. Unit Name (if appl): _____    Unit Number: _____							
9. Proposed Total Measured Depth: <u>7928</u>							
<b>WELL LOCATION INFORMATION</b>							
10. QtrQtr: <u>SENE</u> Sec: <u>22</u> Twp: <u>6N</u> Rng: <u>67W</u> Meridian: <u>6</u> Latitude: <u>40.475500</u> Longitude: <u>-104.880648</u>							
Footage at Surface: <u>1521</u> feet    FNL/FSL <u>FNL</u> <u>2344</u> feet    FEL/FWL <u>FWL</u>							
11. Field Name: <u>WATTENBERG</u> Field Number: <u>90750</u>							
12. Ground Elevation: <u>4783</u> 13. County: <u>WELD</u>							
14. GPS Data: Date of Measurement: <u>05/10/2011</u> PDOP Reading: <u>0.6</u> Instrument Operator's Name: <u>JOSEPH STICE</u>							
15. If well is <input checked="" type="checkbox"/> Directional <input type="checkbox"/> Horizontal (highly deviated) <b>submit deviated drilling plan.</b> Footage at Top of Prod Zone:    FNL/FSL    FEL/FWL    Bottom Hole:    FNL/FSL    FEL/FWL <u>661</u> <u>FNL</u> <u>1958</u> <u>FEL</u> <u>661</u> <u>FNL</u> <u>1958</u> <u>FEL</u> Sec: <u>22</u> Twp: <u>6N</u> Rng: <u>67W</u> Sec: <u>22</u> Twp: <u>6N</u> Rng: <u>67W</u>							
16. Is location in a high density area? (Rule 603b)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>238 ft</u>							
18. Distance to nearest property line: <u>211 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>877 ft</u>							
<b>20. LEASE, SPACING AND POOLING INFORMATION</b>							
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	N/2NE			
J SAND	JSND		80	N/2NE			
NIOBRARA	NBRR	407-87	80	N/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: 661 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	7,928	265	7,928	6,770

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

33. Comments Pad slot #: 5. 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: 6/15/2011 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 34006 00

Permit Number: \_\_\_\_\_ Expiration Date: 7/19/2013

**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 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
1694231	EXCEPTION LOC REQUEST
1694232	EXCEPTION LOC WAIVERS
400161124	FORM 2 SUBMITTED
400175333	DEVIATED DRILLING PLAN
400175334	PLAT

Total Attach: 5 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></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 10:07:23 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 10:07:07 AM
Permit	Requesting an exception location letter.	6/22/2011 4:28:51 PM

Total: 3 comment(s)

**BMP**

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

Total: 0 comment(s)