

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 COMMINGLE

Refiling
Sidetrack

Document Number:

400161116

PluggingBond SuretyID

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: 22JD

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

9. Proposed Total Measured Depth: 8038

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 22 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.475544 Longitude: -104.880811

Footage at Surface: 1505 feet FNL 2299 feet FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4784 13. County: WELD

14. GPS Data:

Date of Measurement: 05/14/2011 PDOP Reading: 0.6 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 _____
50 FSL 1306 FWL 50 FSL 1306 FWL
Sec: 15 Twp: 6N Rng: 67W Sec: 15 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: 238 ft

18. Distance to nearest property line: 211 ft 19. Distance to nearest well permitted/completed in the same formation: 850 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	407-87	160	GWA
J SAND	JSND		160	GWA
NIOBRARA	NBRR	407-87	160	GWA

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 15, SE/4

25. Distance to Nearest Mineral Lease Line: 50 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	8+5/8	24	0	400	300	400	0
1ST	7+7/8	4+1/2	11.6	0	8,038	275	7,988	6,800

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

33. Comments Pad slot #: 1. No conductor casing will be run. Proposed Spacing Unit S/2SW/4 section 15 & N/2NW/4 section 22 T6N-R67W. Operator requests approval of a Rule 318Aa and Rule 318Ac 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.

34. Location ID: 424350

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: 7/18/2011 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. Neslin Director of COGCC Date: 8/14/2011

API NUMBER

05 123 34137 00

Permit Number: _____ Expiration Date: 8/13/2013

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
1694294	PROPOSED SPACING UNIT
400161116	FORM 2 SUBMITTED
400179797	PLAT
400179801	PLAT
400180949	EXCEPTION LOC REQUEST
400180950	EXCEPTION LOC WAIVERS
400180981	DEVIATED DRILLING PLAN
400181199	PROPOSED SPACING UNIT
400181205	PROPOSED SPACING UNIT
400186013	EXCEPTION LOC REQUEST
400186021	PROPOSED SPACING UNIT
400186037	PROPOSED SPACING UNIT

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Received and attached 20 day cert letter.	8/10/2011 3:28:00 PM
Permit	Operator requests approval of a Rule 318Aa and Rule 318Ac 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. Request letter and waiver attached.	7/21/2011 4:35:29 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)