

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:
400194220

PluggingBond SuretyID
20030028

3. Name of Operator: SWEPI LP 4. COGCC Operator Number: 78110

5. Address: 4582 S ULSTER ST PKWY #1400
City: DENVER State: CO Zip: 80237

6. Contact Name: Michael Bergstrom Phone: (303)222-6347 Fax: ()
Email: michael.bergstrom@shell.com

7. Well Name: Trout Creek Well Number: 1-30

8. Unit Name (if appl): Curtis State Unit Number: 127

9. Proposed Total Measured Depth: 6500

WELL LOCATION INFORMATION

10. QtrQtr: 4 Sec: 30 Twp: 6N Rng: 85W Meridian: 6
Latitude: 40.442461 Longitude: -106.972075

Footage at Surface: 461 feet FNL/FSL FSL 753 feet FEL/FWL FWL

11. Field Name: wildcat Field Number: 99999

12. Ground Elevation: 6880 13. County: ROUTT

14. GPS Data:
Date of Measurement: 07/06/2011 PDOP Reading: 1.3 Instrument Operator's Name: B. Hunting

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1552 FSL 2360 FWL 2225 Bottom Hole: FNL/FSL 2133 FEL/FWL FEL

Sec: 30 Twp: 6N Rng: 85W Sec: 30 Twp: 6N Rng: 85W

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: 1732 ft

18. Distance to nearest property line: 461 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 34647 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.)
Niobrara Shale	NBRR			

21. Mineral Ownership: Fee State Federal Indian Lease #: 9163.7

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 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):

The mineral lease area is T6N, R86W, all of Section 30

25. Distance to Nearest Mineral Lease Line: 1500 ft

26. Total Acres in Lease: 640

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
CONDUCTOR	30	20		0	80	149	80	0
SURF	13+1/2	10+3/4	36	0	1,000	265	1,000	0
1ST	9+7/8	7+5/8	29.7	0	4,714	349	4,717	800
2ND	6+3/4	5+1/2	17	0	6,171	0		

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

33. Comments Attachments include a drilling and completion plan. A memorandum stating that a Surface Use Agreement is in place is attached.

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: Michael Bergstrom

Title: Senior Regulatory Advisor Date: _____ Email: michael.bergstrom@shell.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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400194230	TOPO MAP
400196367	DEVIATED DRILLING PLAN
400205253	WELL LOCATION PLAT
400206379	SURFACE AGRMT/SURETY

Total Attach: 4 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>
Wildlife	<p>1) Where oil and gas activities must occur within 1.25 miles of Columbian sharp-tailed grouse leks or within other mapped Columbian sharp-tailed grouse breeding or summer habitat, conduct these activities outside the period between March 15 and July 30.</p> <p>2) Pad construction and drilling operations should occur outside of the sharp-tailed grouse breeding and nesting period (March 15 – July 30).</p> <p>3) Shell agrees to conduct drilling activities –re entry for future, additional wells outside the period of March 15 to July 30.</p> <p>4) Daily operations should be scheduled and carried out between 9:00 A.M. and 4:00 P.M. during the period between March 15 and July 30.</p> <p>5) Shell agrees to use hospital grade mufflers for compressors, pump jacks or other motors necessary to run operations at the site as applicable – if compressors, pump jacks, etc. are necessary. Mufflers will be pointed upward to dissipate potential vibration.</p> <p>6) Shell will use topographical features and constructed earthen berm to provide visual concealment of facilities from known lek locations and as a noise suppressant.</p> <p>7) Shell will establish company guidelines to minimize wildlife mortality from vehicle collisions on roads.</p> <p>8) Shell will gate single-purpose roads and restrict general public access to reduce traffic disruptions to wildlife. Per landowners preference and direction.</p> <p>9) Shell will avoid aggressive non-native grasses in Columbian Sharp-tailed Grouse habitat reclamation.</p> <p>10) Shell will match existing vegetation for interim and final reclamation. Or as directed by surface owner.</p> <p>11) If Shell does not use a closed loop system for drilling: Treat waste water pits and any associated pit containing water that provides a medium for breeding mosquitos with Bti (<i>Bacillus thuringiensis v. israelensis</i>) or take other effective action to control mosquito larvae that may spread West Nile Virus to wildlife, especially grouse. June through September.</p>
Storm Water/Erosion Control	<p>Stormwater Management Plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil and Gas Conservation Commission (COGCC) stormwater discharge permits. The construction layout for Trout Creek 1-30 details Best Management Practices (BMP) to be installed during initial construction. Note that BMPs may be removed, altered, or replaced with changing conditions in the field and the SWMP will be updated accordingly. The BMPs prescribed for the initial construction phase include, but are not limited to:</p> <ul style="list-style-type: none">• Construction diversion ditch• Sediment reservoirs• Check dams• Level spreaders• Stabilized construction entrance• Slash• Sediment trap• Wattle• Terrace• Secondary containment berms• Detention ponds
Material Handling and Spill Prevention	<p>Spill Prevention Control & Countermeasure Plans (SPCC) are in place to address material releases and to prescribe materials handling BMPs for the facility. “Good house-keeping” measures will be taken to ensure proper waste disposal.</p>

Total: 3 comment(s)