

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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Document Number:

400231660

PluggingBond SuretyID

20110203

#### 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 ☐

3. Name of Operator: PETRON DEVELOPMENT COMPANY

4. COGCC Operator Number: 69760

5. Address: 1899 W LITTLETON BLVD

City: LITTLETON State: CO Zip: 80120

6. Contact Name: Kallasandra Moran Phone: (303)928-7128 Fax: (303)962-6237

Email: kmoran@petro-fs.com

7. Well Name: Dexter Well Number: 1-30

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

9. Proposed Total Measured Depth: 2800

#### WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 30 Twp: 2N Rng: 46W Meridian: 6

Latitude: 40.105643 Longitude: -102.557024

Footage at Surface: 375 feet FNL/FSL 2340 feet FEL/FWL FEL

11. Field Name: Schramm Field Number: 76825

12. Ground Elevation: 3958 13. County: YUMA

#### 14. GPS Data:

Date of Measurement: 11/29/2011 PDOP Reading: 1.3 Instrument Operator's Name: Brian Ritz / PFS

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 \_\_\_\_\_

Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

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: 846 ft

18. Distance to nearest property line: 375 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 962 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.)
Niobrara	NBRR			

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#: \_\_\_\_\_

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):

SE4 Sec. 30 T2N-R46W

25. Distance to Nearest Mineral Lease Line: 300 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: Evaporation & burial

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	9+1/8	7	17	0	450	140	450	0
1ST	6+1/4	4+1/2	10.5	0	2,800	75	2,800	2,000

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

33. Comments \_\_\_\_\_

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: Kallasandra M. Moran

Title: Regulatory Manager Date: 12/13/2011 Email: kmoran@petro-fs.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 G. Neslin

Director of COGCC Date: 1/8/2012

#### API NUMBER

05 125 12071 00

Permit Number: \_\_\_\_\_ Expiration Date: 1/7/2014

#### 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 hr notice of spud to Jim Precup at 303-469-1902 or e-mail at james.precup@ state.co.us.
- 2) Set at least 450' of surface casing per Rule 317d due to WW depths. Setting depth must be at least 50' into Pierre Shale and 50' below WW's w/in 1-mile. Cement to surface.
- 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) If dry hole, set 35 sks cement 50' above Niobrara top, 35 sks cement ½ out, ½ in surface casing, 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

### **Attachment Check List**

Att Doc Num	Name
400231660	FORM 2 SUBMITTED
400231662	30 DAY NOTICE LETTER
400231664	PLAT
400231839	TOPO MAP

Total Attach: 4 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Final review passed 1/6/2012 NKP	1/6/2012 12:53:31 PM
Permit	Unit size and configuration corrected per opr. 1/6/2012 NKP	1/5/2012 9:16:53 AM
Permit	Email to opr to verify unit size and configuration as this is in WLR Rule 318B area 1/3/2012 NKP	1/3/2012 8:45:26 AM
Permit	Blanket plugging surety ID updated per S.S. 12/13/2011	12/13/2011 4:12:33 PM
Permit	Operator attached Topo map. This form has passed completeness.	12/13/2011 11:06:08 AM
Permit	Returned to draft. Topo attachment is not a topo map.	12/13/2011 10:56:37 AM

Total: 6 comment(s)

## BMP

<u>Type</u>	<u>Comment</u>
Final Reclamation	<p>All surface restoration shall be accomplished to the satisfaction of Owner.</p> <p>All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.</p> <p>Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).</p>
Site Specific	<p>Fence the well site after drilling to restrict public and wildlife access.</p> <p>Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris.</p> <p>Spray for noxious weeds, and implement dust control, as needed.</p> <p>Operator will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land.</p> <p>Construct and maintain gates where any roads used by operator, its employees, or contractors cross through fences on the leased premises.</p>
Planning	<p>When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.</p>
Storm Water/Erosion Control	<p>Use water bars, and other measures to prevent erosion and non-source pollution.</p> <p>Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation.</p> <p>Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).</p>
Interim Reclamation	<p>Utilize only such area around each producing well as is reasonably necessary.</p> <p>Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations.</p> <p>All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.</p>
Drilling/Completion Operations	<p>When available and reasonable use a closed-loop drilling mud system to preclude the use of an earthen reserve pits when available.</p>
Construction	<p>Remove only the minimum amount of vegetation necessary for the construction of roads and facilities.</p> <p>Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation.</p> <p>No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.</p>

Total: 7 comment(s)