

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



Document Number:

400134262

Date Received:

03/02/2011

PluggingBond SuretyID

20090078

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: PETROLEUM DEVELOPMENT CORPORATION

4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

6. Contact Name: Liz Lindow Phone: (303)831-3974 Fax: ()

Email: llindow@petd.com

7. Well Name: Zeiler Well Number: 7H DU

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

9. Proposed Total Measured Depth: 7500

WELL LOCATION INFORMATION

10. QtrQtr: lot 2 Sec: 7 Twp: 5N Rng: 67W Meridian: 6

Latitude: 40.409990 Longitude: -104.941200

Footage at Surface: 1105 feet FNL/FSL 925 feet FEL/FWL
FSL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4960 13. County: WELD

14. GPS Data:

Date of Measurement: 12/22/2010 PDOP Reading: 6.0 Instrument Operator's Name: Thomas G Carlson

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
1315 FSL 75 FWL 1315 FSL 75 FWL
Sec: 7 Twp: 5N Rng: 67W Sec: 7 Twp: 5N 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: 910 ft

18. Distance to nearest property line: 898 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 855 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 Codell	NB-CD	407-87	160	GWA
Parkman	PRKM		160	GWA
Sussex Shannon	SX-SN		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#:

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):

W2 of Sec 7 T5N R67W, 6th PM

25. Distance to Nearest Mineral Lease Line: 75 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: closed loop

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	375	500	375	0
1ST	7+7/8	4+1/2	10.5	0	7,500	525	7,500	0

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

33. Comments Conductor casing will not be used. Zeiler 7LDU, 23-7DU, 13-7DU, 7PDU, 7H DU, 24-7DU, 14-7DU will all be drilled from the same pad and are within the 800 ft legal drilling window. Zeiler 7LDU will be twinned with existing well Gove 1 and successive wells are less than 50' apart. Lat/longs are differentially corrected Nad'83 using DGPS with PDOP values less than six. Operator requests approval of a 160 acre spacing unit consisting of the W/2SW/4 of Sec 7 T5N R67W and the E/2SE/4 of Sec 12 T5N R68W due to boundary well location. 20 day certification 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: Liz Lindow

Title: Permit Representative Date: 3/2/2011 Email: llindow@petd.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: 3/31/2011

API NUMBER

05 123 33233 00

Permit Number: _____ Expiration Date: 3/30/2013

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 970-397-4124 or e-mail at bo.brown@state.co.us.
 - 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara, from 200' below Shannon to 200' above Sussex and 200' below and 200' above the Parkman. 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.
- Operator must meet the water well testing requirements as per Rule 318A.e.(4)

Attachment Check List

Att Doc Num	Name
400134262	FORM 2 SUBMITTED
400134272	TOPO MAP
400134276	CORRESPONDENCE
400134277	DEVIATED DRILLING PLAN
400134278	WELL LOCATION PLAT
400134281	PROPOSED SPACING UNIT
400135158	30 DAY NOTICE LETTER
400139672	SURFACE AGRMT/SURETY

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	---Within 800' window, pending well Zieler 24-7DU roughly 20' to south.	3/10/2011 9:11:14 AM
Permit	Opr corrected. sf	3/9/2011 9:03:34 AM
Permit	Back to draft, using both SUA and Bond. sf	3/7/2011 2:07:19 PM
Permit	Added commingle no Copy of check and dollar amounts in SUA, returned to draft Formation code for the Parkman is incorrect	3/4/2011 12:22:09 PM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)