

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400279968

Date Received:

05/15/2012

PluggingBond SuretyID

20010023

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: K P KAUFFMAN COMPANY INC

4. COGCC Operator Number: 46290

5. Address: 1675 BROADWAY, STE 2800

City: DENVER State: CO Zip: 80202

6. Contact Name: Susana Lara-Mesa Phone: (303)825-4822 Fax: (303)825-4825

Email: slaramesa@kpk.com

7. Well Name: Ruebel, et al Well Number: #1-4

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

9. Proposed Total Measured Depth: 7920

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 1 Twp: 1S Rng: 65W Meridian: 6

Latitude: 39.990920 Longitude: -104.618250

Footage at Surface: 1650 feet FSL 990 feet FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5109 13. County: ADAMS

14. GPS Data:

Date of Measurement: 04/28/2008 PDOP Reading: 2.3 Instrument Operator's Name: Ray Gorka

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: 123 ft

18. Distance to nearest property line: 990 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2655 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-CODELL	NB-CD		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):

SEC 1, T1S-R65W SE 1/4 SEC 36, T1N-R65W

25. Distance to Nearest Mineral Lease Line: 990 ft 26. Total Acres in Lease: 738

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+1/2	9+5/8	40	0	212	250	212	0
1ST	7+7/8	4+1/2	11.6	0	7,940	360	7,940	

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

33. Comments Form 4 with complete frac details and wellbore diagram has been submitted at the COGCC.

34. Location ID: 320254

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: Susana Lara-Mesa

Title: Engineering Project Mgr Date: 5/15/2012 Email: slaramesa@kpk.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: [Signature] Director of COGCC Date: 6/14/2012

API NUMBER

05 001 08755 00

Permit Number: _____ Expiration Date: 6/13/2014

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.

Operator confirms COGCC observation that this is not high density. There are ten homes and none under construction.

Prior to recomple, operator must: 1) Verify existing cement with a cement bond log. 2) If it is not present as follows, provide remedial cement 200' above Niobrara (minimum cement top of 6780') and 1380' into the surface casing shoe. Verify remedial cement coverage with cement bond log.

Attachment Check List

Att Doc Num	Name
400279968	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Recomplete sundry approved. 6/4/2012	6/13/2012 8:09:38 AM
Permit	Final review completed; LGD and Public comment received. Operator response to comments posted in BMP section.	6/13/2012 8:06:41 AM
Permit	Verbal comment discussion with LGD centered around subdivision streets which are in and paved. No houses have been built within 500 feet. Use of the subdivision streets will involve responsibility for damages should they occur.	6/11/2012 5:48:38 AM
Permit	Received sundry's to recomplete May 30th. Data enter in process.	6/1/2012 12:09:39 PM
OGLA	Received Verbal Public comment from neighbor (Mark Hempell) expressing the following concerns: 1. Mitigation of nuisance disturbance during recompletion activity, including truck traffic, noise, lights and scheduling. 2. Mitigation of increased truck traffic post-recompletion, including road damage, dust, and vehicle tracking. 3. Request for post-recompletion visual mitigation, specifically if a rocker-beam style pumping unit will be installed.	5/31/2012 9:38:17 AM
Engineer	Need sundry for recomplete	5/30/2012 8:54:41 AM
LGD	Adams County will approve all access point locations. G. Stevens	5/21/2012 3:00:41 PM
Permit	The need for COA's or BMP's will be discussed.	5/17/2012 11:30:04 AM
Permit	Closest street is 123 feet and the closest building unit is 500 feet away. Subdivision encroachment occurred after the well was drilled.	5/17/2012 11:24:40 AM
Permit	The workover rig is 106 feet if they use their WO rig #1	5/17/2012 11:22:47 AM
Permit	Proposed spacing unit is the SW/4(160acres)	5/17/2012 11:20:11 AM
Permit	On hold - Well is a subdivision. Requesting rig height from operator. Is this high density?	5/17/2012 6:01:21 AM
Permit	On hold - Operator should designate unit configuration according to Order 407-87	5/17/2012 5:55:33 AM
Permit	Operator corrected county, #36, and distances. This form has passed completeness.	5/16/2012 11:00:16 AM
Permit	Returned to draft. Incorrect county, missing #36, distances need to be updated.	5/15/2012 1:02:26 PM

Total: 15 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Site Specific	<p>KPK will use reasonable efforts to minimize dust on all dirt access roads as required by COGCC rules and regulations, including but not limited to COGCC rule 805 regulating odors and dust.</p> <p>KPK understands that its access to the applicable well(s) may be over paved, improved roads. KPK will be responsible for damage to such paved roads if the damage is a direct result of KPK's use of said roads.</p> <p>KPK will provide the local government with reasonable notice prior to moving the rig on location and will abide by all applicable COGCC notice requirements.</p> <p>KPK will abide by all applicable COGCC rules regarding visual and noise pollution, including but not limited to COGCC rule 802 regulating noise abatement, COGCC rule 803 regarding lighting, COGCC rule 804 regarding visual impact mitigation, and COGCC rule 805 regarding odors and dust.</p> <p>KPK will maintain and reclaim its well site pursuant to COGCC rules and regulations regarding drilling, development, producing, abandonment and reclamation.</p>

Total: 1 comment(s)