

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:

400262243

Date Received:

06/04/2012

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 ☐

PluggingBond SuretyID

20010023

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: Noel Well Number: #3-18

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

9. Proposed Total Measured Depth: 7450

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 18 Twp: 4N Rng: 65W Meridian: 6

Latitude: 40.317240 Longitude: -104.708010

Footage at Surface: 915 feet FNL/FSL 2087 feet FEL/FWL
 FNL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4700 13. County: WELD

14. GPS Data:

Date of Measurement: 09/02/2009 PDOP Reading: 6.0 Instrument Operator's Name: Kipper Goldsberry

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: 700 ft

18. Distance to nearest property line: 580 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 830 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	40	NENW

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 2001002423a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No23b. 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):

NENW SEC 18-T4N-R65W

25. Distance to Nearest Mineral Lease Line: 915 ft

26. Total Acres in Lease: 38

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	250	400	0
1ST	7+7/8	4+1/2	11.5	0	7,450	375	7,450	

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

33. Comments If location is not built by 2A expiration 06-08-2013, Operator will Refile Form 2A for approval prior to location construction. There have been no changes on land use or lease description. The pad has not been built. There will be no additional surface disturbance. The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii). The location is not within a wildlife Restricted Surface Occupancy Area.

34. Location ID: 417678

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: 6/4/2012

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: _____

Director of COGCC

Date: 6/29/2012

API NUMBER

05 123 31718 00

Permit Number: _____

Expiration Date: 6/28/2014

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 notice of MIRU via an electronic Form 42.
2)Comply with Rule 317.i and provide cement coverage from the end of the production casing to a minimum of 200' above the Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with a cement bond log.

If location is not built by 2A expiration 06/09/2013, Operator will Refile Form 2A for approval prior to location construction."

Attachment Check List

Att Doc Num	Name
400262243	FORM 2 SUBMITTED
400291297	TOPO MAP
400291298	LEASE MAP
400291758	30 DAY NOTICE LETTER

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected spacing as per opr. Final Review Completed. No LGD or public comment received.	6/25/2012 8:53:56 AM
Engineer	No new water wells drilled within the one mile radius. Therefore, the existing surface casing check on file is still valid and the proposed surface casing setting depth is adequate.	6/11/2012 7:34:59 AM
Permit	Ready to pass pending public comment 6/25/12.	3/8/2012 8:33:54 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)