

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:

400320034

Date Received:

08/23/2012

PluggingBond SuretyID

20110169

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: SOVEREIGN OPERATING COMPANY LLC

4. COGCC Operator Number: 10383

5. Address: 621 17TH STREET #950

City: DENVER State: CO Zip: 80293

6. Contact Name: STEPHANIE CLASEN Phone: (303)297-0347 Fax: (303)297-9075

Email: SOVEREIGNENERGY@AOL.COM

7. Well Name: NORDSTROM Well Number: 34-4

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

9. Proposed Total Measured Depth: 8796

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 4 Twp: 1S Rng: 68W Meridian: 6

Latitude: 39.991130 Longitude: -105.005010

Footage at Surface: 1621 feet FNL/FSL 2178 feet FEL/FWL  
FSL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 5235 13. County: BROOMFIELD

14. GPS Data:

Date of Measurement: 03/21/2012 PDOP Reading: 1.9 Instrument Operator's Name: MARC WOODARD

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  
652 FSL 1956 FEL 652 FSL 1956 FEL  
Sec: 4 Twp: 1S Rng: 68W Sec: 4 Twp: 1S Rng: 68W

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: 1621 ft

18. Distance to nearest property line: 223 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 995 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.)
J SAND	JSND	467-8	320	S/2
NIOBRARA-CODELL	NB-CD	467-8	160	SE/4

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):

SE/4 SECTION 4, T1S, R68W

25. Distance to Nearest Mineral Lease Line: 652 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: \_\_\_\_\_

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	1,110	550	1,100	0
1ST	7+7/8	4+1/2	11.6	0	8,796	525	8,796	7,580

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

33. Comments CONDUCTOR CASING IS NOT APPLICABLE

34. Location ID: 321510

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: STEPHANIE CLASEN

Title: OFFICE MANAGER

Date: 8/23/2012

Email: SOVEREIGNENERGY@AOL.C

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: 9/21/2012

#### API NUMBER

05 014 20720 00

Permit Number: \_\_\_\_\_

Expiration Date: 9/20/2014

#### 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) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. 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 water well testing requirements per Rule 318A.

### **Attachment Check List**

Att Doc Num	Name
1695215	DEVIATED DRILLING PLAN
400320034	FORM 2 SUBMITTED
400320089	SURFACE AGRMT/SURETY
400320092	30 DAY NOTICE LETTER
400320094	WELL LOCATION PLAT
400320096	DIRECTIONAL DATA
400328756	DIRECTIONAL DATA

Total Attach: 7 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Final Review Completed. No LGD or public comment received.	9/21/2012 8:28:50 AM
Permit	received and attached corrected deviated direction plan and template. ok to pass.	9/20/2012 10:41:52 AM
Permit	ON HOLD: requesting corrected deviated direction surveys PDF and template.	8/31/2012 10:45:06 AM

Total: 3 comment(s)

### **BMP**

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

Total: 0 comment(s)