

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:

400309884

Date Received:

08/03/2012

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER horizontal
SINGLE ZONE MULTIPLE COMMINGLE

Refiling

Sidetrack

PluggingBond SuretyID

20110201

3. Name of Operator: SOUTHWESTERN ENERGY PRODUCTION COMPANY

4. COGCC Operator Number: 10396

5. Address: 2350 N SAM HOUSTON PKWY EAST #125

City: HOUSTON State: TX Zip: 77032

6. Contact Name: Amy Johnson Phone: (281)618-7414 Fax: (281)618-2919

Email: amy_johnson@swn.com

7. Well Name: Staner 5-58 Well Number: 1-8H

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

9. Proposed Total Measured Depth: 12650

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 8 Twp: 5S Rng: 58W Meridian: 6

Latitude: 39.626420 Longitude: -103.908900

Footage at Surface: 661 feet FSL 680 feet FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 5236 13. County: ARAPAHOE

14. GPS Data:

Date of Measurement: 05/24/2012 PDOP Reading: 1.2 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 661 FSL 1280 FWL _____ Bottom Hole: FNL/FSL 661 FSL 600 FEL/FWL FEL
Sec: 8 Twp: 5S Rng: 58W Sec: 8 Twp: 5S Rng: 58W

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: 660 ft

18. Distance to nearest property line: 661 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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.)
Marmaton	MRTN		640	SEC 8 ALL

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):

S8, T5S, R58W All

25. Distance to Nearest Mineral Lease Line: 600 ft 26. Total Acres in Lease: 640

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: Facility ID 428350

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
CONDUCTOR	26	20		0	80	105	80	0
SURF	17	13+3/8	68	0	1,035	800	1,035	0
1ST	12+1/4	9+5/8	47	0	7,771	2,035	7,771	0
2ND	8+1/2	5+1/2	23	0	12,650	670	12,650	7,571

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

33. Comments This is a planned sidetrack of the existing vertical stratigraphic well already drilled. API# 05-005-07182-01. There will be no additional surface disturbance or pit added to this approved location.

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: Amy Johnson

Title: Regulatory Supervisor Date: 8/3/2012 Email: AMY_JOHNSON@SWN.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: Matthew Lee Director of COGCC Date: 9/26/2012

API NUMBER: **05 005 07182 01** Permit Number: _____ Expiration Date: 9/25/2014

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.

Attachment Check List

Att Doc Num	Name
400309884	APD APPROVED
400312513	DIRECTIONAL DATA
400312515	PLAT
400312516	DEVIATED DRILLING PLAN
400331084	FORM 2 SUBMITTED

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
Permit	Lat/long revisions approved by operator. Verification of statement that no additional surface disturbance or pits will be added to this approved location was received from Operator.	9/24/2012 5:23:20 AM
Permit	Final review completed.	9/24/2012 5:21:22 AM
Permit	Verbal approved from OGLA as the operator's statement that there will be no additional surface disturbance or pit built will suffice for not needing an amended form 2A.	9/18/2012 2:40:41 PM
Permit	Requested review by OGLA Rob Young for any statements on the form 2, sundry or amended Form 2A. Statement about no additional disturbance is all that is necessary. Rob	3/8/2012 8:33:00 AM
Permit	Lat/long on this APD don't match the previously submitted APD or on the supplied Well location Plat. Emailed Amy Johnson of Southwestern Energy for clarification.	3/8/2012 8:21:56 AM
Permit	Location 428520	3/3/2012 3:33:50 PM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
Site Specific	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Southwestern Energy Production Company will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used by Southwestern Energy Production Company cross through fences on the leased premises.
Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. 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. 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).
Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.
Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).
Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. 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.

Total: 6 comment(s)