

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:

400323606

Date Received:

09/04/2012

PluggingBond SuretyID

20120079

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: ENERGY & EXPLORATION PARTNERS OPERATING LP

4. COGCC Operator Number: 10432

5. Address: 100 THROCKMORTON STREET #1700

City: FORT WORTH State: TX Zip: 76102

6. Contact Name: Jeff Reale Phone: (970)663-1448 Fax: (970)667-0046

Email: jeff@mistymountainop.com

7. Well Name: VARRA Well Number: 5-24

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

9. Proposed Total Measured Depth: 7500

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 5 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.510310 Longitude: -104.919330

Footage at Surface: 585 feet FNL/FSL 2036 feet FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4869 13. County: WELD

14. GPS Data:

Date of Measurement: 08/22/2012 PDOP Reading: 2.4 Instrument Operator's Name: Richard Gabriel

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: 522 ft

18. Distance to nearest property line: 395 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2656 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.)
Codell/Niobrara	NB-CD	407-87	80	S/2 SW/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):

Section 5, T6N, R67W SW/4, except a portion of the SW/SW See attached mineral lease map.

25. Distance to Nearest Mineral Lease Line: 395 ft

26. Total Acres in Lease: 122

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	660	360	660	0
1ST	7+7/8	4+1/2	11.5#	0	7,500	480	7,500	3,000

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

33. Comments No conductor casing will be set

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: Jeff Reale

Title: Agent Date: 9/4/2012 Email: jeff@mistymountainop.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: 10/18/2012

API NUMBER

05 123 36167 00

Permit Number: _____ Expiration Date: 10/17/2014

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) Note surface casing setting depth change from 500' to 660'. Increase cement coverage accordingly.
- 2) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

Operator must meet Water Well Testing requirements as per amended Rule 318Ae(4)

Attachment Check List

Att Doc Num	Name
1699148	MINERAL LEASE MAP
1699149	CORRESPONDENCE
400323606	FORM 2 SUBMITTED
400323662	WELL LOCATION PLAT
400323663	TOPO MAP
400323673	SURFACE AGRMT/SURETY

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Form 2A has been corrected resulting in needed changes to #17 on this form, and a lease map. Opr notified and returned correspondence with lease map (add comment to see attached), and approval to correct #17. Final review complete.	10/17/2012 8:05:27 AM
Permit	Form put on hold because the location drawing on the form 2A is incorrect. Requested new drawing from opr.	10/11/2012 4:30:42 PM
Permit	Corrected lease description as per OPR. Final review complete.	10/8/2012 4:13:02 PM
Permit	Ready to pass pending public comment 10/1/12.	9/14/2012 3:39:32 PM
Permit	Operator correected casing information.	9/6/2012 4:48:12 PM
Permit	Return to Draft: 1. All casing information required for each casing string, including conductor pipe; if no conductor pipe is used, this must be noted in the Operator Comments section. The following comments are FYI: 1. Field name and number does not match GIS mapping information. 2. Spacing order does not match location or GIS mapping information.	9/5/2012 4:50:08 PM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)