

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:

400336881

Date Received:

10/25/2012

PluggingBond SuretyID

20110188

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: TEKTON WINDSOR LLC

4. COGCC Operator Number: 10392

5. Address: 640 PLAZA DRIVE #290

City: HIGHLANDS State: CO Zip: 80129
RANCH

6. Contact Name: CLAYTON DOKE Phone: (970)669-7411 Fax: (970)669-4077

Email: cdoke@petersonenergy.com

7. Well Name: RANCHO WATER VALLEY 7 Well Number: 7-8-33-270-5-CH

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

9. Proposed Total Measured Depth: 12803

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 4 Twp: 5N Rng: 67W Meridian: 6

Latitude: 40.435480 Longitude: -104.888220

Footage at Surface: 220 feet FNL/FSL FNL 303 feet FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4775 13. County: WELD

14. GPS Data:

Date of Measurement: 09/26/2012 PDOP Reading: 2.1 Instrument Operator's Name: WYATT HALL

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 90 FSL 460 FEL 460 Bottom Hole: FNL/FSL 90 FSL 885 FEL 885
Sec: 33 Twp: 6N Rng: 67W Sec: 32 Twp: 6N Rng: 67W

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: 231 ft

18. Distance to nearest property line: 220 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 570

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 | CODL | | | 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):
 TOWNSHIP 6 NORTH, RANGE 6 WEST, SECTION 33; ALL EXC SW/1 ; TOWNSHIP 5 NORTH RANGE 67 WEST, SECTION 4 N/2 NE/4; TOWNSHIP 6 NORTH RANGE 67 WEST SECTION 32 SE/4.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 720

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 | 9+5/8 | 36 | 0 | 1,220 | 640 | 1,220 | 0 |
| 1ST | 8+3/4 | 7 | 23 | 0 | 7,280 | 160 | 7,280 | 6,057 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 6250 | 12,803 | | | |

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

33. Comments No conductor casing will be run. Pad slot #7. This well is a Rule 318A(l).a.(4)D Horizontal GWA Well; Proposed Spacing Unit: SESE Sec. 32, S/2 S/2 Sec. 33 T6N-R67W & NENE Sec. 5 , N/2 N/2 Sec. 4 T5N-R67W. PSU Map is attached. Well distance to nearest spacing unit boundary = 460', 318A(l).a.(4) well, notices were mailed: 10/24/12. The affidavit of mailing is attached. 30-day certification detailing if objections were received will be sent on or about 11/23/12 contingent upon the date of receipt and after the 30-day period has expired. This well is being permitted under the provisions of Rule 318A(l).c.(3); an existing location exception waiver is already on file with the state [Doc#: 400227152] along with an associated request [Doc#: 40027176] for this location, thus no additional waiver or request has been attached. SUA is attached.

34. Location ID: 427157

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: CLAYTON DOKE

Title: PETROLEUM ENGINEER Date: 10/25/2012 Email: cdoke@petersonenergy.com

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: _____

API NUMBER Permit Number: _____ Expiration Date: _____

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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.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400336881 | FORM 2 SUBMITTED |
| 400338452 | WELL LOCATION PLAT |
| 400338527 | PROPOSED SPACING UNIT |
| 400339235 | DIRECTIONAL DATA |
| 400339236 | SURFACE AGRMT/SURETY |
| 400339237 | PROPOSED SPACING UNIT |
| 400339309 | DEVIATED DRILLING PLAN |

Total Attach: 7 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------------------|--|
| Drilling/Completion Operations | Bradenhead Monitoring BMP: Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012. |
| Drilling/Completion Operations | Anti-Collision BMP: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed wells. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5. |

Total: 2 comment(s)