

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:

400334369

Date Received:

11/27/2012

PluggingBond SuretyID

20010023

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: 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: Bonnie Mobley Phone: (303)825-4822 Fax: (303)825-4825

Email: slaramesa@kpk.com

7. Well Name: Genesis Well Number: 9-2

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

9. Proposed Total Measured Depth: 8443

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 1 Twp: 5N Rng: 67W Meridian: 6

Latitude: 40.423320 Longitude: -104.834850

Footage at Surface: 656 feet FNL/FSL 673 feet FEL/FWL
 FSL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4880 13. County: WELD

14. GPS Data:

Date of Measurement: 11/08/2012 PDOP Reading: 1.2 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
 1668 FSL 1578 FEL 2004 FSL 1878 FEL
 Sec: 1 Twp: 5N Rng: 67W Sec: 1 Twp: 5N 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: 640 ft

18. Distance to nearest property line: 640 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1236 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	232-23	320	S/2
Niobrara-Codell	NB-CD	407-87	80	N/2SE/4

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#:23a. 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):

Sec 1 5N67W SE/4

25. Distance to Nearest Mineral Lease Line: 667 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	26	0	550	300	550	0
1ST	7+7/8	4+1/2	11.6	0	8,443	650	8,443	

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

33. Comments No conductor casing will be used. This well is being added to an existing location via Form 2A (Doc Number 400348108). The surface owner has waived the 30-day notice period.

34. Location ID: 319579

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: 11/27/2012 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: Matthew Lee Director of COGCC Date: 12/27/2012

API NUMBER

05 123 36474 00

Permit Number: _____ Expiration Date: 12/26/2014

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.

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

- 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.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
1699227	MINERAL LEASE MAP
400334369	FORM 2 SUBMITTED
400343356	OTHER
400344930	LEASE MAP
400349829	PLAT
400349833	30 DAY NOTICE LETTER
400349861	DIRECTIONAL DATA
400349863	DEVIATED DRILLING PLAN
400350319	MULTI-WELL PLAN
400350989	TOPO MAP
400350991	DIRECTIONAL DATA

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	12/27/2012 3:10:58 PM
Permit	Corrected lease description as per opr. KPK holds the leases for the entire SE/4 of the section. There are two mineral lease maps indicating these holdings. Ready to pass pending public comment on the 2A 12/24/12.	12/14/2012 9:30:15 AM
Permit	Requested lease description clarification from opr.	12/11/2012 11:56:26 AM
Permit	operator completed all sections of the directional drilling data spreadsheet, amended topo map to adequately identify location, corrected submitted BHL to correlate with plat and 30 day notice letter. This form passed completeness.	11/28/2012 12:32:52 PM
Permit	Return to draft: 1. topo map does not adequately identify location, missing ts & r, 2. 30 day notice letter BHL footages do not match submitted form or well location plat, 3. directional drilling data spreadsheet is incomplete, 4. well location plat BHL (2048' FSL/1865' FEL) does not match submitted form BHL.	11/27/2012 5:46:18 PM

Total: 5 comment(s)

BMP

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

Total: 0 comment(s)