

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:

400352088

Date Received:

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

PluggingBond SuretyID

20120081

3. Name of Operator: PICEANCE ENERGY LLC

4. COGCC Operator Number: 10433

5. Address: 1512 LARIMER STREET #1000

City: DENVER State: CO Zip: 80202

6. Contact Name: Julie Webb Phone: (303)339-4400 Fax: (303)339-4399

Email: jwebb@progressivepcs.net

7. Well Name: NVega Well Number: 25-114

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

9. Proposed Total Measured Depth: 8413

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 25 Twp: 9S Rng: 93W Meridian: 6

Latitude: 39.250825 Longitude: -107.727686

Footage at Surface: 834 feet FNL/FSL FNL 569 feet FEL/FWL FWL

11. Field Name: Vega Field Number: 85930

12. Ground Elevation: 7798 13. County: MESA

14. GPS Data:

Date of Measurement: 10/28/2008 PDOP Reading: 2.1 Instrument Operator's Name: B. Hunting, Unitah Surveying

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

Footage at Top of Prod Zone: FNL/FSL 817 FNL 350 FWL 817 FNL 350 FWL
Bottom Hole: FNL/FSL 817 FNL 350 FWL
Sec: 25 Twp: 9S Rng: 93W Sec: 25 Twp: 9S Rng: 93W

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: 918 ft

18. Distance to nearest property line: 487 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 500 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.)
Iles	ILES	369-4	320	All
Williams Fork	WMFK	369-4	320	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):

E2/E2, SW/NE, E2/NW, NW/NW, SE/SW, SW/SE, Twp: 9S, Rng: 93W Section 25

25. Distance to Nearest Mineral Lease Line: 150 ft 26. Total Acres in Lease: 1630

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: Reclaim Water and Bury

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	24	16	55	0	60	200	60	0
SURF	12+1/4	8+5/8	32	0	2,200	845	2,200	0
1ST	7+7/8	4+1/2	11.6	0	8,413	474	8,413	5,800

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

33. Comments I certify that all conditions in the original permit are the same except SHL change approved 11/24/2008. There have been no changes to land use, well construction or the lease. #23b - Please refer to SUA previously filed with original APD which is still in effect.

34. Location ID: 334438

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: Julie Webb

Title: Regulatory Analyst Date: _____ Email: jwebb@progressivepcs.net

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

05 077 09668 00

Permit Number: _____ Expiration Date: _____

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.

Date retrieval failed for the subreport 'IntPolicy_NTC' located at: W:\Intrpub\Net\Reports\policy_ntc.rdl. Please check th

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