

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:

400379476

Date Received:

03/01/2013

PluggingBond SuretyID

20090080

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: GREAT WESTERN OIL & GAS COMPANY LLC

4. COGCC Operator Number: 10110

5. Address: 1700 BROADWAY SUITE 650

City: DENVER State: CO Zip: 80290

6. Contact Name: Shannon Hartnett Phone: (303)830-9893 Fax: (866)522-1673

Email: shartnett@gwogco.com

7. Well Name: Raindance FD Well Number: 20-32D

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

9. Proposed Total Measured Depth: 8132

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 30 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.463283 Longitude: -104.927119

Footage at Surface: 662 feet FNL/FSL FNL 184 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4789 13. County: WELD

14. GPS Data:

Date of Measurement: 09/28/2012 PDOP Reading: 1.9 Instrument Operator's Name: Robert Kay

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

Footage at Top of Prod Zone: FNL/FSL 2619 FSL 0 FEL 0 FEL/FWL 2619 FSL 0 FEL 0
Sec: 20 Twp: 6N Rng: 67W Sec: 20 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: 365 ft

18. Distance to nearest property line: 365 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 897 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Niobrara-Codell | NB-CD | | 160 | 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):

See attached map

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 1230

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 | 601 | 278 | 601 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,132 | 851 | 8,132 | 3,582 |

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

33. Comments Conductor casing will not be set. Production casing will be set at a minimum of 200' above the Niobrara. This location is outside of the GWA drilling window, a request for approval and proposed spacing unit is attached. Spacing unit description: SE1/4NE1/4 Sec. 19, SW1/4NW1/4 Sec. 20, NE1/4SE1/4 Sec. 19, and NW1/4SW1/4 Sec. 20.

34. Location ID: 427917

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: Shannon Hartnett

Title: Permitting Agent Date: 3/1/2013 Email: shartnett@gwogco.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

05

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.

Data retrieval failed for the subreport 'IntPolicy NTO' located at: W:\Instrub\Net\Reports\policy_nto.rdl. Please check th

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400379476 | FORM 2 SUBMITTED |
| 400379491 | DIRECTIONAL DATA |
| 400379493 | DEVIATED DRILLING PLAN |
| 400379494 | PLAT |
| 400379495 | EXCEPTION LOC REQUEST |
| 400379496 | PROPOSED SPACING UNIT |
| 400379497 | MINERAL LEASE MAP |
| 400379498 | SURFACE AGRMT/SURETY |
| 400386831 | 30 DAY NOTICE LETTER |

Total Attach: 9 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> |
|--|--|
| Material Handling and Spill Prevention | <p>Material Handling and Spill Prevention (SPCC) Spill Prevention Control and Countermeasures (SPCC) plans are in place to address any possible spills associated with Oil and Gas operations throughout the state of Colorado in accordance with CFR 112.</p> <p>In accordance with COGCC Rule 1002.f.(2)A. & B., shall provide a designated storage area for dry bulk chemicals and miscellaneous fluids. The storage area shall be covered to prevent contact of precipitation with chemicals, shall be elevated above storm- or standing water, and shall provide sufficient containment to prevent release of spilled fluids or chemicals from impacting soil, surface water or groundwater and will prevent the co-mingling of spilled fluids or chemicals with other E & P Waste.</p> |
| Site Specific | <p>Noise and Light Pollution Mitigation Noise levels will be maintained at levels not to exceed COGCC specifications currently in existence, measured at a point 350' from the noise source, or as defined by current COGCC regulations. Where possible, drilling rig engine exhaust will be vented away from occupied buildings. Light sources will likewise be directed downwards and away from occupied buildings. Light sources will likewise be directed downwards, and away from occupied structures where possible. No special noise mitigation efforts should be required at this site. Once the drilling and completion rigs leave the site, there will be no permanently installed lighting on site. In addition a sound barrier around the vapor recovery compressors will be installed.</p> |
| General Housekeeping | <p>Housekeeping General housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup is required to minimize any commingling of waste materials with storm water runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup will consist of patrolling the roadways, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly and promptly.</p> |

| | |
|-----------------------------|---|
| Site Specific | <p>Town of Windsor</p> <p>Great Western is aware of the Conditional Use Grant process with the Town of Windsor and will comply with such process and COA's in addition to the granting of the COGCC permit. In addition to the CUG process Great Western will implement the following for this location:</p> <ol style="list-style-type: none"> 1. Traffic associated with drilling, completion, and production activities shall be limited to a reasonable speed and posted signs. 2. Appropriate signs for crossing the Poudre Trail for the safety of the town users of the trail and the vehicles crossing. |
| Storm Water/Erosion Control | <p>Storm Water Management Plans (SWMP)</p> <p>Storm Water Management Plans (SWMP) are in place to address construction, drilling and operations associated with Oil and Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE). BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.</p> |
| Site Specific | <p>Sensitive Area</p> <p>The location has been deemed a sensitive area because of the presence of permeable subsurface material and shallow ground water. The tank battery will be constructed with a liner sufficiently impermeable to prevent produced fluids from impacting the ground water.</p> <p>This location is in a sensitive area due to the shallow ground water and the proximity to surface water. Therefore Great Western Oil & Gas will not have flow back or production pits at this location. Berm will be constructed sufficient to protect the location and recreational pond east of the location from any release of completion or produced fluids and chemical products.</p> |

Total: 6 comment(s)