

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:

400377256

Date Received:

02/08/2013

PluggingBond SuretyID

20090078

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: PDC ENERGY INC

4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

6. Contact Name: Liz Lindow Phone: (303)831-3974 Fax: ()

Email: liz.lindow@pdce.com

7. Well Name: Waste Management Well Number: 2L-401

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

9. Proposed Total Measured Depth: 11352

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 2 Twp: 2N Rng: 64W Meridian: 6

Latitude: 40.160820 Longitude: -104.520940

Footage at Surface: 230 feet FNL/FSL 2050 feet FEL/FWL
FSL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4934 13. County: WELD

14. GPS Data:

Date of Measurement: 12/07/2012 PDOP Reading: 1.3 Instrument Operator's Name: Ron Edwards

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
820 FSL 1493 FWL 500 FNL 1490 FWL
Sec: 2 Twp: 2N Rng: 64W Sec: 2 Twp: 2N Rng: 64W

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: 264 ft

18. Distance to nearest property line: 2900 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 670 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	CODL		320	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#: 19990086

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):

N2 and S2 of Sec. 2 T2N R64W 6th PM. Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 500'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 638

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	900	830	900	0
1ST	8+3/4	7	26	0	7,411	650	7,411	500
1ST LINER	6+1/8	4+1/2	11.6	6204	11,352			

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

33. Comments 7" casing string will be cemented to at least 200' above Niobrara, around 500' from surface. CBL will only be run in the vertical section of the wellbore. Conductor casing will not be used. Operator requests an exception location per rule 318Aa and rule 318Ac: well will not be drilled in a legal drilling window or twinned with an existing well. Waivers attached. Per rule 318Ae, the Operator requests the proposed spacing unit consisting of 320 acres, W2 of Sec 2 T2N R64W. Proposed spacing unit map and 30-day certificate is attached.

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: Liz Lindow

Title: Regulatory Analyst Date: 2/8/2013 Email: liz.lindow@pdce.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: 3/13/2013

API NUMBER

05 123 36958 00

Permit Number: _____ Expiration Date: 3/12/2015

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) Provide 48 hour notice of spud via electronic Form 42.
- 2) Set at least 900' of surface casing. Cement to surface.
- 3) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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.

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

Att Doc Num	Name
2485538	SURFACE CASING CHECK
400377256	FORM 2 SUBMITTED
400379259	EXCEPTION LOC REQUEST
400379260	EXCEPTION LOC WAIVERS
400379261	30 DAY NOTICE LETTER
400379262	WELL LOCATION PLAT
400379268	PROPOSED SPACING UNIT
400379322	DEVIATED DRILLING PLAN
400379323	DIRECTIONAL DATA

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed. No LGD or Public comments.	3/12/2013 11:58:04 AM
Permit	With the abandonment of both the wellbore and the location for the previously approved PDC Waste Management 44-2H it removes the necessity to recalculate the distance to the nearest completed / permitted wellbore in the same productive zone.	3/12/2013 11:57:51 AM
Engineer	No existing wells within 500' of proposed directional.	2/19/2013 4:21:55 PM
Permit	Operator requested changes in the TOP as indicated.	2/13/2013 9:13:00 AM
Permit	The TOP footages do not match calculations for the Deviated Drilling Plan. Requested clarification from operator.	2/13/2013 8:35:08 AM
Permit	Operator made correction. Ready to pass completeness.	2/11/2013 11:50:19 AM
Permit	Returned to draft. SHL should be FWL.	2/11/2013 8:32:54 AM

Total: 7 comment(s)

BMP

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

Total: 0 comment(s)