

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:

400398638

Date Received:

04/05/2013

PluggingBond SuretyID

19930038

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: DAVIS, LLC* EDWARD MIKE4. COGCC Operator Number: 227555. Address: 730 17TH ST STE 450City: DENVER State: CO Zip: 802026. Contact Name: Rhonda White Phone: (970)867-4736 Fax: (970)867-3714Email: rwhite@qwestoffice.net7. Well Name: Niebur Well Number: 41-2

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

9. Proposed Total Measured Depth: 4500

WELL LOCATION INFORMATION

10. QtrQtr: LOT 1 Sec: 2 Twp: 3S Rng: 51W Meridian: 6Latitude: 39.828790 Longitude: -103.050220

Footage at Surface: 600 feet FNL/FSL 600 feet FEL/FWL FEL

11. Field Name: WILDCAT Field Number: 9999912. Ground Elevation: 4552 13. County: WASHINGTON

14. GPS Data:

Date of Measurement: 03/29/2013 PDOP Reading: 1.1 Instrument Operator's Name: M. BRYAN SHORT15. 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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 570 ft18. Distance to nearest property line: 600 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1380 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.)
D SAND	DSND			
J SAND	JSND			

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):

TOWNSHIP 3 SOUTH, RANGE 51 WEST, SECTION 1; LOT 3 AND LOT 4, SECTION 2; LOT 1 - & - TOWNSHIP 2 SOUTH, RANGE 51 WEST SECTION 35; E/2SE. PLEASE SEE THE ATTACHED

25. Distance to Nearest Mineral Lease Line: 600 ft

26. Total Acres in Lease: 240

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: Evaporation dry in place

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	23	0	350	250	350	0
S.C. 1.1	7+7/8	5+1/2	15.5	0	4,500	200	4,500	3,150

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

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: ANDY PETERSON

Title: CONSULTANT

Date: 4/5/2013

Email: cdok@petersonenergy.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: _____

Director of COGCC

Date: 5/9/2013

API NUMBER

05 121 11025 00

Permit Number: _____

Expiration Date: 5/8/2015

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 prior to spud via electronic Form 42.
- 2) Provide cement coverage from TD to a minimum of 200' above NBRR. Verify coverage with cement bond log.
- 3) If dry hole, set 40 sks cement at top of J-Sand, 40 sks cement at top of NBRR, 40 sks cement across any DST w/ show, 50 sks cement 1/2 out, 1/2 in surface casing, 15 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400398638	FORM 2 SUBMITTED
400398966	PLAT
400398969	OIL & GAS LEASE
400398976	OIL & GAS LEASE

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed. No LGD or public comments.	5/8/2013 8:08:13 AM
Permit	Operator requested changes in the NENE to Lot 1, and provided a more complete lease description and lease signature.	4/22/2013 12:05:53 PM
Permit	Lease description does not match the 240 acres given as total leased acreage (as shown on lease), requested change to lot 1 not NENE, also requested change to lease signed by minieral owner on form 2A..	4/22/2013 8:11:09 AM
Permit	Operator is now a registered agent. This form has passed completeness.	4/11/2013 6:52:11 AM
Permit	RTD: Submitted is not a registered agent for Davis LLC	4/8/2013 9:00:29 AM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Plan of operation is to have Excell Services build location. Excell Service will move in and rig up Excell Rig #3. They will drill 12-1/4" hole to surface casing depth and Kimzey Casing Crew will rig up and set casing. After surface casing is set, cemented, cement set, and BOP has been rigged up Drilling of 7-7/8" hole will begin and drill to approximatley 4500'. After logging and determination of activity. If hole is plugged form 5 and 6 will be submitted. If hole is completed production casing will be set by Kimzey Casing crew and cemented. A sundry notice will be completed at this time to submit production plan for this well.

Total: 1 comment(s)