

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:

400405704

Date Received:

04/18/2013

PluggingBond SuretyID

20030028

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: SWEPI LP

4. COGCC Operator Number: 78110

5. Address: 4582 S ULSTER ST PKWY #1400

City: DENVER State: CO Zip: 80237

6. Contact Name: Nancy Feck Phone: (307)367-7934 Fax: (307)367-4285

Email: N.Feck@shell.com

7. Well Name: North Castor Gulch Well Number: 1-16

8. Unit Name (if appl): Williams Fork Unit Number: COC74956X

9. Proposed Total Measured Depth: 9388

WELL LOCATION INFORMATION

10. QtrQtr: TR66 Sec: 16 Twp: 5N Rng: 91W Meridian: 6

Latitude: 40.392189 Longitude: -107.605394

Footage at Surface: 1293 feet FNL/FSL 926 feet FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 6988 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 06/19/2012 PDOP Reading: 1.3 Instrument Operator's Name: B.Hunting

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

Footage at Top of Prod Zone: FNL/FSL 1312 FNL 928 FEL 72 FSL 2080 FWL 72 FSL 2080 FWL 72
Sec: 16 Twp: 5N Rng: 91W Sec: 16 Twp: 5N Rng: 91W

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: 3702 ft

18. Distance to nearest property line: 925 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 552 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	NBRR			

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: CO8473.5

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):

Please see attached mineral lease description and map. This well is proposed within the Williams Fork Unit boundary. The distance to the nearest unit boundary is 2104'.

25. Distance to Nearest Mineral Lease Line: 72 ft

26. Total Acres in Lease: 640

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
CONDUCTOR	30	20	na	0	90	48	90	0
SURF	13+1/2	10+3/4	40.5	0	815	271	815	715
1ST	9+7/8	7+5/8	29.7	0	3,450	0	4,315	3,450
1ST LINER	6+3/4	5+1/2	17	3250	9,388	0	0	

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

33. Comments This well is proposed to be drilled as a sidetrack to an existing drilled well. This will be the 2nd sidetrack for this wellbore. Attached Wellbore Diagram outlines the plan for this sidetrack. The distance to the nearest Unit boundary is 2104'.

34. Location ID: 428533

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: Nancy Feck

Title: Regulatory Technician Date: 4/18/2013 Email: N.Feck@shell.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: 5/19/2013

API NUMBER

05 081 07720 02

Permit Number: _____ Expiration Date: 5/18/2015

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE TO A MINIMUM OF 200' ABOVE TOP OF GAS (OR OTHER SHALLOWEST-KNOWN PRODUCING HORIZON). VERIFY CEMENT WITH A CBL.

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400405704	FORM 2 SUBMITTED
400405713	WELLBORE DIAGRAM
400405716	DRILLING PLAN
400405718	DEVIATED DRILLING PLAN
400405804	LEGAL/LEASE DESCRIPTION
400405807	LEASE MAP
400406328	WELL LOCATION PLAT
400408965	DIRECTIONAL DATA

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed.	5/15/2013 3:39:29 PM
Engineer	THE SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 40 FEET DEEP.	5/3/2013 12:29:02 PM
Permit	Corrected #36 to "NO".	4/24/2013 11:32:15 AM
Permit	This form has passed completeness.	4/24/2013 11:31:28 AM
Permit	Returned to draft: 1) Need distance to nearest mineral lease line. Dir. template uploaded successfully.	4/24/2013 11:24:28 AM
Permit	Returned to draft: 1) XCEL dir. template didn't upload.	4/24/2013 9:49:23 AM
Permit	Returned to draft: 1) XCEL dir. template not attached; no data populated import button.	4/19/2013 8:57:42 AM
Permit	Returned to draft: 1) Delete SUA attachment--doesn't apply. 2) XCEL directional template didn't upload.	4/19/2013 7:48:40 AM

Total: 8 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Wildlife	With the approval of the Williams Fork Unit Wildlife Mitigation Plan and MOU between the BLM, Shell and CPW, wildlife concerns will be managed and mitigated as prescribed within these two documents for this location.
Material Handling and Spill Prevention	Spill Prevention Control and Countermeasure Plans (SPCC) are in place to address material releases and to prescribe materials handling BMP's for the facility. "Good housekeeping" measures will be taken to ensure proper waste disposal.
Storm Water/Erosion Control	Storm Water management plans(SWMP) are in place to comply with both Colorado Department of Public Health and Environment(CDPHE) and Colorado Oil and Gas Conservation Commission(COGCC) stormwater discharge permits. The BMP's that were prescribed during initial construction included: Diversion Ditch Check dams Level spreaders stabilized construction entrance Slash Sediment Traps Wattles Terrace Secondary containment berms Detention ponds

Total: 3 comment(s)