

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

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06/03/2013

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: ()

Email: shartnett@gwogco.com

7. Well Name: Tailholt FD Well Number: 11-35HN

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

9. Proposed Total Measured Depth: 11882

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 11 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.508314 Longitude: -104.867992

Footage at Surface: 241 feet FNL/FSL FNL 587 feet FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4876 13. County: WELD

14. GPS Data:

Date of Measurement: 05/24/2013 PDOP Reading: 2.2 Instrument Operator's Name: R. Kay

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
470 FNL 1032 FWL 470 FSL 1032 FWL
Sec: 11 Twp: 6N Rng: 67W Sec: 11 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: 213 ft

18. Distance to nearest property line: 240 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1555 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		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#:

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: 241 ft

26. Total Acres in Lease: 289

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	1,025	273	1,025	0
1ST	8+3/4	7	23	0	7,434	677	7,434	725
2ND	6+1/8	4+1/2	11.6	0	11,882			

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

33. Comments No conductor casing will be set. Offsite tank battery location already approved. Location ID = 431642 Proposed spacing unit = West 1/2 Section 11 T6N-R67WCement will be set at least 200' above the Niobrara Interim DJ Basin Horizontal Offset Policy - spreadsheet attached Casing 2nd string: uncemented liner with packers and ports

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: Shannon Hartnett

Title: Reg. Compl. Spec. Date: 6/3/2013 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:\Inetpub\NetReports\policy_nto.rdl. Please check th

Attachment Check List

Att Doc Num	Name
400426228	FORM 2 SUBMITTED
400427250	PLAT
400427252	EXCEPTION LOC WAIVERS
400427257	SURFACE AGRMT/SURETY
400427259	MINERAL LEASE MAP
400427898	OFFSET WELL EVALUATION
400434357	DIRECTIONAL DATA
400434363	DEVIATED DRILLING PLAN
400434366	EXCEPTION LOC REQUEST
400434367	PROPOSED SPACING UNIT

Total Attach: 10 Files

General Comments

User Group	Comment	Comment Date
Permit	Back to draft for letters (exception location, 30 day notice, and Proposed spacing) have wrong information.	3/6/2013 2:26:07 PM
Permit	Returned to draft: 1) TD does not match setting depth for 2nd liner.	3/4/2013 9:47:02 AM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Material Handling and Spill Prevention	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. 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.
Planning	Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed well path with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottom hole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.
Site Specific	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 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.
Site Specific	Great Western will comply with the "COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area", dated May 29, 2012.
Storm Water/Erosion Control	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.
General 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.
Site Specific	Great Western is aware of the Conditional Use Grant process with the Town of Severance and will comply with such process and COA's in addition to the granting of the COGCC permit.

Total: 7 comment(s)