

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



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Date Received:

04/18/2013

PluggingBond SuretyID

20120026

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☐ COALBED ☐ OTHER Salt Water Disposal
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: PEAKVIEW OPERATING COMPANY, LLC

4. COGCC Operator Number: 10409

5. Address: 216 16TH STREET, SUITE 1450

City: DENVER State: CO Zip: 80202

6. Contact Name: Terry Hoffman Phone: (720)542-8287 Fax: ()

Email: terry@rockymountainpermitting.com

7. Well Name: Kowach Well Number: 24-9 SWD

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

9. Proposed Total Measured Depth: 4511

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 9 Twp: 6N Rng: 90W Meridian: 6

Latitude: 40.485144 Longitude: -107.499270

Footage at Surface: 153 feet FNL/FSL 1618 feet FEL/FWL FWL

11. Field Name: Buck Peak Field Number: 7675

12. Ground Elevation: 6290.6 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 03/21/2013 PDOP Reading: 1.5 Instrument Operator's Name: Kris Stewart

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

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

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: 163 ft

18. Distance to nearest property line: 153 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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.)
Morapos	MRPS			

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):

S/2 of the SW/4 of Section 9-T6N-R90W; & N/2 of the NW/4 of Section 16-T6N-R90W

25. Distance to Nearest Mineral Lease Line: 1019 ft

26. Total Acres in Lease: 160

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	17+1/2	13+3/8	54	0	250	140	250	0
SURF	12+1/4	8+5/8	32	0	2,050	680	2,050	0
1ST	7+7/8	5+1/2	17	0	4,511	625	4,511	0

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

33. Comments Footages listed as 5280' are (1) mile or greater. The surface owner is Peakview; therefore, the 305/306 letter is not required (no attachment).

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: Terry L. Hoffman

Title: Permit Agent

Date: 4/18/2013

Email: terry@rockymountainpermitting

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: 7/2/2013

API NUMBER

05 081 07782 00

Permit Number: _____ Expiration Date: 7/1/2015

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) CEMENT ON PRODUCTION CASING MUST BE AT LEAST 200' ABOVE TOP OF FT. UNION AND COMPLY WITH RULES 209 AND 317.I. SEGREGATE OIL, GAS, AND FRESH-WATER-BEARING ZONES AND PROTECT COAL SEAMS. VERIFY TOP WITH CBL.

(3) APPROVAL OF THIS FORM DOES NOT AUTHORIZE INJECTION. AUTHORIZATION TO INJECT REQUIRES APPROVAL OF FORM 31 AND FORM 33.

(4) BEFORE STIMULATING THE WELL, CAPTURE A WATER SAMPLE FROM MORAPOS FORMATION AND ANALYZE FOR TOTAL DISSOLVED SOLIDS. SUBMIT LAB ANALYSIS TO DENISE.ONYSKIW@STATE.CO.US

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400399371	FORM 2 SUBMITTED
400402867	WELL LOCATION PLAT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Confirmed oper. submitted required UIC paperwork. No LGD or public comments. Final Review--passed.	7/1/2013 6:58:20 AM
Permit	Oper. to submit UIC form 31 and 33.	6/20/2013 7:12:31 AM
Engineer	THE PROPOSED 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 860 FEET DEEP.	4/19/2013 12:30:30 PM
Permit	Per oper. corrected #22 to "NO" and #22a to "NONE".	4/19/2013 10:57:05 AM
Agency	Pass completeness.	4/18/2013 12:42:37 PM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	<p>Peakview Operating Company, LLC Kowach #24-9 SWD SESW Section 9-T6N-R90W Moffat Co., Colorado</p> <p>Best Management Practices Summary</p> <p>Stormwater Management Plans (SWMP) will be in place to address construction, drilling and operations associated with Oil & 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. The BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.</p> <p>Spill Prevention Control and Counter measures (SPCC) plans will be in place to address any possible spills associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR12.</p> <p>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 will be required to minimize any commingling of waste materials with stormwater 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.</p> <p>The above BMP's will be provided to all Peakview Operating Company, LLC contractors and will be posted in the company trailer located on location during drilling, completion and production operations.</p>

Total: 1 comment(s)