

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:

400407505

Date Received:

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 ☐

PluggingBond SuretyID

20010023

3. Name of Operator: K P KAUFFMAN COMPANY INC

4. COGCC Operator Number: 46290

5. Address: 1675 BROADWAY, STE 2800

City: DENVER State: CO Zip: 80202

6. Contact Name: Susana Lara-Mesa Phone: (303)825-4822 Fax: (303)825-4825

Email: slaramesa@kpk.com

7. Well Name: Hodgson Well Number: #17-1H

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

9. Proposed Total Measured Depth: 12094

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 17 Twp: 4N Rng: 66W Meridian: 6

Latitude: 40.318220 Longitude: -104.810240

Footage at Surface: 379 feet FNL/FSL 290 feet FEL/FWL FNL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4707 13. County: WELD

14. GPS Data:

Date of Measurement: 07/02/2013 PDOP Reading: 1.5 Instrument Operator's Name: E. Davis

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

Footage at Top of Prod Zone: FNL/FSL 586 FNL 867 FWL 460 FNL 0 FEL 460
Bottom Hole: FNL/FSL 460 FNL 0 FEL 460
Sec: 17 Twp: 4 Rng: 66 Sec: 17 Twp: 4 Rng: 66

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: 166 ft

18. Distance to nearest property line: 203 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 733 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 | | 200 | 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):

N/2N/2 of selection 17 and the NWNW of section 16-T4N-R66W

25. Distance to Nearest Mineral Lease Line: 203 ft

26. Total Acres in Lease: 200

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 | 13+3/4 | 9+5/8 | 36 | 0 | 700 | 320 | 700 | 0 |
| 1ST | 8+3/4 | 7 | 26 | 0 | 7,400 | 650 | 7,400 | 0 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 7200 | 12,094 | 0 | | |

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

33. Comments Proposed spacing unit is N/2N/2 of selection 17 and the NWNW of section 16-T4N-R66WNo conductor casing will be usedOperator requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Request and waivers attached. Waivers are highlighted in SUA.Rathole will be 150', therefore, PB will be 0' from the section lineCurrent approved permits for undrilled wells will be either abandoned or relocated to avoid any collision issues keeping them at least 150' away from the proposed wellbore. Wells are FRONT RANGE #11-17-17, FRONT RANGE #11-17-24, FRONT RANGE #12-17-22R, FRONT RANGE K #17-28D, HODGSON ##4-17-30, POPE ##18-17, POPE #3-17-21R, and POPE #3-17-29

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: Susana Lara-Mesa

Title: Engineering Project Mgr.

Date: _____

Email: slaramesa@kpk.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:\netpub\Net\Reports\policy_nto.rdl. Please check th

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400450665 | PLAT |
| 400450764 | EXCEPTION LOC REQUEST |
| 400450803 | DIRECTIONAL DATA |
| 400458762 | SURFACE AGRMT/SURETY |
| 400458770 | EXCEPTION LOC REQUEST |
| 400458771 | OFFSET WELL EVALUATION |
| 400459115 | LEASE MAP |
| 400459124 | DEVIATED DRILLING PLAN |
| 400459974 | PROPOSED SPACING UNIT |

Total Attach: 9 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--|--|
| Drilling/Completion Operations | <p>Pre-Spud Anti-collision 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 wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, operator may have gyro surveys conducted to verify bottomhole 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 the COGCC with the Form 5.</p> <p>During and Post Stimulation K.P. Kauffman, Inc. will comply with the COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.</p> <p>At least 90 days prior to fracture stimulation, the Operator shall notify all operators of non-operated wells within 1500' of the wellbore to be fracture stimulated of the anticipated stimulation date and the recommended best management practice to shut-in all wells within 1500' of the stimulated wellbore completed in the same formation. The Operator will monitor bradenhead pressure of all wells under Operator's control within 300 feet of the well which is to be treated, provided such other wells penetrate the productive zone which is to be treated.</p> |
| General Housekeeping | <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 according to WMP. If spills occur prompt cleanup is 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 at a certified facility. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each workday. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, any contaminated soil, and dust control on location. Materials will be disposed of properly.</p> |
| Material Handling and Spill Prevention | <p>Spill Prevention Control and countermeasure plan (SPCC) is in place to address construction, drilling and operations associated with oil and gas development throughout the state of Colorado in accordance with CFR 112.</p> |
| Storm Water/Erosion Control | <p>Storm water Management Plan (SWMP) will be 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) General Permit rules. BMP's used will vary according to location, and will remain in place until the pad reached final reclamation.</p> |

Total: 4 comment(s)