

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:

400440613

Date Received:

07/10/2013

PluggingBond SuretyID

20100202

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: RESOURCE DEVELOPMENT TECHNOLOGY LLC

4. COGCC Operator Number: 74250

5. Address: PO BOX 1020

City: MORRISON State: CO Zip: 80465

6. Contact Name: TOM BOWMAN Phone: (303)716-3200 Fax: (303)716-5780

Email: colorado@usermail.com

7. Well Name: NININGER Well Number: 11-1-1645

8. Unit Name (if appl): N/A Unit Number: N/A

9. Proposed Total Measured Depth: 5600

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 1 Twp: 16S Rng: 45W Meridian: 6

Latitude: 38.694210 Longitude: -102.418580

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

11. Field Name: FULL MOON Field Number: 27920

12. Ground Elevation: 4345 13. County: CHEYENNE

14. GPS Data:

Date of Measurement: 06/13/2013 PDOP Reading: 3.2 Instrument Operator's Name: Elijah Frane

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: 570 ft

18. Distance to nearest property line: 600 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1602 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.)
MISSISSIPPIAN-OSAGE-WARSAW	M-O-W	214-7		
SPERGEN	SPGN	214-7		

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):

W/2 Sec. 1 16S-45W 6th P.M. Cheyenne County, CO. To be earned by drilling by virtue of Farmout Contract.

25. Distance to Nearest Mineral Lease Line: 600 ft

26. Total Acres in Lease: 168

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: DRY & BURY

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
1ST	7+7/8	5+1/2	15.5	0	5600	250	5600	4100
	7+7/8	5+1/2	Stage Tool	0	3050	450	3050	0
SURF	12+1/4	8+5/8	24	0	320	200	320	0

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

33. Comments NO CONDUCTOR CSG WILL BE SET

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: TOM BOWMAN

Title: OPERATIONS MANAGER Date: 7/10/2013 Email: colorado@usermail.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: 8/7/2013

API NUMBER

05 017 07763 00

Permit Number: _____ Expiration Date: 8/6/2015

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.

COA Type	Description
	1) Provide 48 hour notice prior to spud via Form 42. 2) Set at least 320' of surface casing due to WW Permit # 0012512, NENW7-16S-44W. 3) If production casing is set provide cement coverage from TD to 200' above the shallowest completed interval or SPGN, whichever is shallower and stage cement Cheyenne/Dakota (minimum 2150' to 1550'). Verify cemented intervals with CBL. 4) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the SPGN, 40 sks cement +/- 50' above the LNSG, 40 sks cement across any DST w/ show, 40 sks cement at 2150' up, 40 sks cement at 1550' up, 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400440613	FORM 2 SUBMITTED
400440628	WELL LOCATION PLAT
400440629	TOPO MAP
400441430	H2S CONTINGENCY PLAN
400445195	SURFACE AGRMT/SURETY
400445663	30 DAY NOTICE LETTER
400445664	LGD CONSULTATION

Total Attach: 7 Files

General Comments

User Group	Comment	Comment Date
Permit	Final review completed; no LGD or public comment received.	3/6/2013 6:33:06 AM
Permit	Order 214-7 vacated the 80 acre drilling and spacing units in the Mississippian mentioned in 214-1.	7/16/2013 7:06:32 AM
Permit	The well location falls within an area that potentially may have measureable levels of H2S gas. H2S contingency plan attached.	7/16/2013 6:55:19 AM
Permit	Form passes completeness.	7/12/2013 11:12:23 AM

Total: 4 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	Planning	· CONDUCT INITIAL SITE ASSESSMENT o Identification of nearby water bodies o Identification of vegetation types o Identification of protected wildlife species o Identification of potential access routes to minimize disturbances o Identification of nearby improvements

2	Pre-Construction	<ul style="list-style-type: none"> · Preparation of a Storm Water Pollution Prevention Plan. Acquisition of a Storm Water Discharge Permit · Consultation with the surface owner or appointed agent · Finalize access routes · Finalize well pad location to minimize surface grade impacts · Finalize well pad layout to minimize disturbances · Develop wildlife management plan if protected species are present
3	General Housekeeping	<ul style="list-style-type: none"> · Drilling and production operations conducted in safe workmanlike manner. Safety expectations include good housekeeping. · During drilling/completion operations, debris stored in caged container which is removed from the site · During production operations, the lease is inspected daily by RDT personnel.
4	Wildlife	<ul style="list-style-type: none"> · Development and implementation of a Wildlife Management Plan if protected species are present
5	Storm Water/Erosion Control	<ul style="list-style-type: none"> · During drilling/completion operations, implementation of Storm Water Pollution Prevention Plan · Following drilling/completion operations, prompt reclamation of disturbed areas · During production operations, implementation of RDT's Post Construction Storm Water Management Plan if required by Rule 1002.f. <p>Site Specific: 1 Per ephemeral stream 352 feet northeast of proposed well pad – structural practices will be implemented at the site to minimize erosion and sediment transport. Practices may include but are not limited to: straw bales, wattles/sediment control logs, silt fences, earth dikes, drainage swales, sediment traps, subsurface drains, inlet protection, outlet protection, gabions and temporary sediment basins.</p>
6	Material Handling and Spill Prevention	<ul style="list-style-type: none"> · During drilling/completion operations, storage areas graded towards pit · During production operations, implementation of Spill Prevention, Control and Countermeasure Plan & daily inspection · All stock and produced water tanks have secondary containment
7	Construction	<ul style="list-style-type: none"> · Access road, well pad and pit disturbances minimized · Soils segregated by type to facilitate reclamation · Storm water controls deployed and routinely inspected
8	Drilling/Completion Operations	<ul style="list-style-type: none"> · Implement Storm Water Pollution Prevention Plan, including routine inspections and evaluation of effectiveness · Locate tank batteries at safe distance from public roadways and railhead · Full containment of stock tanks and separators · Installation of pipelines in common trenches when practical · Installation of pipelines at right angles to water bodies (drainages, wetlands, perennial water bodies) where practical
9	Interim Reclamation	<ul style="list-style-type: none"> · Debris and waste material removed · Areas not in use reclaimed promptly; pits closed using segregated material; well pad and other compacted surfaces ripped · Noxious weeds controlled
10	Final Reclamation	<ul style="list-style-type: none"> · All equipment and debris removed · All remaining disturbed areas, including access roads, reclaimed · Noxious Weed Control Plan developed if appropriate

Total: 10 comment(s)