

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:

400409107

Date Received:

06/14/2013

PluggingBond SuretyID

20090078

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: PDC ENERGY INC

4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

6. Contact Name: Julie Webb Phone: (303)381-3933 Fax: ()

Email: julie.webb@pdce.com

7. Well Name: Lofland Well Number: 22T-402

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

9. Proposed Total Measured Depth: 12697

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 22 Twp: 5N Rng: 65W Meridian: 6

Latitude: 40.378460 Longitude: -104.644620

Footage at Surface: 344 feet FNL/FSL 1313 feet FEL/FWL
 FSL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4648 13. County: WELD

14. GPS Data:

Date of Measurement: 05/01/2013 PDOP Reading: 2.5 Instrument Operator's Name: Brian Rottinghaus

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
 197 FSL 579 FEL 200 FSL 500 FEL
 Sec: 22 Twp: 5N Rng: 65W Sec: 23 Twp: 5N Rng: 65W

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: 312 ft

18. Distance to nearest property line: 344 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 451 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.)
Codell	CODL		400	GWA

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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):

SESE of Section 22 (5N-65W). Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 500'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 40

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	875	830	875	0
1ST	8+3/4	7	26	0	7562	650	7562	500
1ST LINER	6+1/8	4+1/2	11.6	6237	12697			

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

33. Comments 7" casing string will be cemented to at least 200' above Niobrara, around 500' from surface. CBL will only be run in the vertical section of the wellbore. Conductor casing will not be used. Operator requests an exception location per rule 318Aa and rule 318Ac: well will not be drilled in a legal drilling window or twinned with an existing well. Waivers attached. Per rule 318Ae, the Operator requests the proposed spacing unit consisting of 400 acres, SESE of Sec. 22 and S2S2 of Sec. 23 T5N R65W, NENE of Sec. 27 and N2N2 of Sec. 26 T5N R65W. Proposed spacing unit map and 30-day certificate is attached. Distance to nearest well measured from Anti-Collision Report in deviated drilling plan.

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: Julie Webb

Title: Regulatory Analyst

Date: 6/14/2013

Email: julie.webb@pdce.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: 8/10/2013

API NUMBER

05 123 37811 00

Permit Number: _____ Expiration Date: 8/9/2015

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
	Operator acknowledges the proximity of the Buderus #13-23 API# 123-12541, Marie #1-23 API# 123-12593, Brown #1-23 API# 123-12656, Susan #1-23 API# 123-12902, and Lofland #44-22 API# 123-13064 wells. Operator agrees to: provide mitigation option 1, 2 or 3 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.
	1)Provide notice of MIRU via an electronic Form 42. 2)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara and from 200' below Sussex to 200' above Sussex. Verify cement coverage with a cement bond log per 317.o.
	Operator must meet water well testing requirements per Rule 318A.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400409107	FORM 2 SUBMITTED
400432482	DIRECTIONAL DATA
400432483	PLAT
400432484	DEVIATED DRILLING PLAN
400432485	30 DAY NOTICE LETTER
400432486	EXCEPTION LOC WAIVERS
400432487	EXCEPTION LOC REQUEST
400432491	PROPOSED SPACING UNIT
400433845	OFFSET WELL EVALUATION

Total Attach: 9 Files

General Comments

User Group	Comment	Comment Date
Permit	Final review complete.	8/8/2013 10:20:45 AM
Engineer	Evaluated offset wells for adequate isolation.	6/25/2013 2:23:04 PM
Permit	Ready to pass pending public comment 7/8/13.	6/20/2013 1:07:04 PM
Permit	Form passes completeness.	6/17/2013 2:39:13 PM

Total: 4 comment(s)

Best Management Practices

No	BMP/COA Type	Description