

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

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Document Number:

400434513

Date Received:

06/26/2013

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 OPERATING 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: Postle IC Well Number: 11-4HN

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

9. Proposed Total Measured Depth: 11810

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 11 Twp: 3N Rng: 68W Meridian: 6

Latitude: 40.243958 Longitude: -104.978503

Footage at Surface: 1461 feet FNL 358 feet FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4980 13. County: WELD

14. GPS Data:

Date of Measurement: 05/06/2013 PDOP Reading: 1.2 Instrument Operator's Name: R. Kay

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

Footage at Top of Prod Zone: 1089 FNL 460 FWL Bottom Hole: 1092 FNL 470 FEL
Sec: 11 Twp: 3N Rng: 68W Sec: 11 Twp: 3N Rng: 68W

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: 352 ft

18. Distance to nearest property line: 352 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 424 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		640	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: Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 460'.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 645

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	1025	273	1025	0
1ST	8+3/4	7	23	0	7442	678	7442	725
2ND	6+1/8	4+1/2	11.6	6442	11810			

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments No conductor casing will be set. Proposed spacing unit = Section 11 T3N-R68WCement will be set at least 200' above the NiobraraDJ 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: 6/26/2013 Email: shartnett@gwogco.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: 8/13/2013

API NUMBER 05 123 37821 00	Permit Number: _____	Expiration Date: <u>8/12/2015</u>
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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) Submit Form 42 electronically to COGCC 48 hours prior to MIRU. 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.
	Operator must meet water well testing requirements per Rule 318A.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.
Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

Att Doc Num	Name
1695760	DEVIATED DRILLING PLAN
400434513	FORM 2 SUBMITTED
400436295	DIRECTIONAL DATA
400436306	LEASE MAP
400439231	OFFSET WELL EVALUATION
400439379	PLAT
400439382	PROPOSED SPACING UNIT
400439384	EXCEPTION LOC WAIVERS
400439386	EXCEPTION LOC REQUEST
400439387	SURFACE AGRMT/SURETY
400444797	DIRECTIONAL DATA
400444801	DIRECTIONAL DATA
400444810	DIRECTIONAL DATA

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed the distance to the nearest mineral lease line to 0' & added "Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 460'." to mineral lease.	8/12/2013 1:57:35 PM
Permit	Horizontal wellbore crosses lease lines within drilling and spacing unit; distance to lease line is 0'; distance to unit boundary is 460'.	8/12/2013 1:17:09 PM
Permit	placed on hold by JPS for final approval.	8/9/2013 10:45:34 AM
Permit	Final Review Completed. LGD comment addressed (see BMP's on form 2A); no public comment received.	7/31/2013 10:27:29 AM
Permit	Per operator changed BHL footages from 1039 FNL to 1092 FNL. Received and attached Deviated Drilling Plan and Directional Data Template. Surface owner is Mineral owner and the SUA covers All of Section 11. ok to pass.	7/9/2013 8:07:40 AM
Permit	ON HOLD: confirmation of BHL footages. Requesting directional data. Surface owner is Mineral owner& SUA that covers surface.	7/1/2013 3:18:38 PM
Permit	Operator requests approval of a Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window. Request and Waiver attached.	7/1/2013 3:18:35 PM
Permit	Pass completeness.	6/27/2013 11:19:33 AM

Total: 8 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	Planning	<p>Bradenhead Monitoring Great Western will comply with the "COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area", dated May 29, 2012</p>
2	Planning	<p>Anti-collision Best Management Practice 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.</p>
3	General Housekeeping	<p>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.</p>
4	Storm Water/Erosion Control	<p>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.</p>
5	Material Handling and Spill Prevention	<p>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.</p>
6	Noise mitigation	<p>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.</p>

Total: 6 comment(s)