

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:

400458520

Date Received:

07/29/2013

PluggingBond SuretyID

20120099

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: MENDELL NIOBRARA LLC

4. COGCC Operator Number: 10435

5. Address: 7979 IVANHOE AVENUE #300

City: SAN DIEGO State: CA Zip: 92037

6. Contact Name: CLAYTON DOKE Phone: (303)216-0703 Fax: (303)216-2139

Email: cdoke@iptengineers.com

7. Well Name: AFTON Well Number: 12-16H-3

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

9. Proposed Total Measured Depth: 12453

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 12 Twp: 1S Rng: 68W Meridian: 6

Latitude: 39.973590 Longitude: -104.942100

Footage at Surface: 598 feet FNL/FSL 511 feet FEL/FWL
FSL FEL

11. Field Name: Spindle Field Number: 77900

12. Ground Elevation: 5153 13. County: ADAMS

14. GPS Data:

Date of Measurement: 07/01/2013 PDOP Reading: 1.9 Instrument Operator's Name: ADAM KELLY

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
460 FSL 865 FEL 460 FNL 865 FEL
Sec: 12 Twp: 1S Rng: 68W Sec: 12 Twp: 1S 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: 192 ft

18. Distance to nearest property line: 133 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 370 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		160	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):

TOWNSHIP 1 SOUTH, RANGE 68 WEST, SECTION 12; E/2 E/2

25. Distance to Nearest Mineral Lease Line: 460 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
SURF	13+1/2	9+5/8	36	0	1250	1035	1250	0
1ST	8+3/4	7	23	0	8233	833	8233	3000
1ST LINER	6+1/8	4+1/2	11.6	7500	12453			

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

33. Comments No conductor casing will be run. Pad slot #3. This well is a Rule 318A.a.(4)D Horizontal GWA Well; Proposed Spacing Unit: E/2E/2 of Section 12, T1S, R68W. PSU Map is attached. Well distance to nearest spacing unit boundary = 460'. Operator is the only owner as defined in C.R.S. §34-60-103(7) within the proposed spacing unit and waives notification and 30-day Rule 318A.e(6). A document that waives the 30 day notification is attached to Proposed Spacing Unit Map. Operator respectfully requests a Rule 318A.c, 603.a.(2), and 604.a.(1) exception location. This location is greater than 50' from an existing well, within 150' of a property line, and within 500' of a building unit. Request and waivers are attached. The distance cited in Question 17 is in relation to an above ground utility. The distance to the nearest building is 292' to the southeast. SUA is attached. Document attached as "Other" contains maps and a description of surface owner's property to supplement the SUA. PICO respectfully requests that the Rule 318A.a.(4)D Horizontal well and proposed spacing unit be approved.

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: CLAYTON DOKE

Title: SENIOR ENGINEER Date: 7/29/2013 Email: cdoke@iptengineers.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.

Description

Date retrieval failed for the subreport 'rptPolicy_NTO' located at: W:\nstrpub\Net\Reports\policy_nto.rdl. Please check th

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400458520	FORM 2 SUBMITTED
400458605	WELL LOCATION PLAT
400459104	DEVIATED DRILLING PLAN
400459120	DIRECTIONAL DATA
400459272	OFFSET WELL EVALUATION
400459337	OTHER
400459385	EXCEPTION LOC REQUEST
400459386	EXCEPTION LOC WAIVERS
400460250	PROPOSED SPACING UNIT
400490166	SURFACE AGRMT/SURETY
400490168	EXCEPTION LOC WAIVERS

Total Attach: 11 Files

General Comments

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

Total: 0 comment(s)

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Bradenhead Monitoring BMP: Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.
2	Drilling/Completion Operations	Anti-Collision BMP: 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 wells. 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 COGCC with the Form 5.

Total: 2 comment(s)