

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

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07/24/2013

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 INC4. COGCC Operator Number: 691755. Address: 1775 SHERMAN STREET - STE 3000City: DENVER State: CO Zip: 802036. Contact Name: Julie Webb Phone: (303)831-3933 Fax: ()Email: julie.webb@pdce.com7. Well Name: Guttersen Well Number: 6R-223

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

9. Proposed Total Measured Depth: 11065

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 6 Twp: 2N Rng: 63W Meridian: 6Latitude: 40.174460 Longitude: -104.472610

Footage at Surface: 75 feet FNL 474 feet FEL
 FNL/FSL FEL/FWL

11. Field Name: Wattenberg Field Number: 9075012. Ground Elevation: 4836 13. County: WELD

14. GPS Data:

Date of Measurement: 10/16/2012 PDOP Reading: 1.6 Instrument Operator's Name: Thomas Carlson15. 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
830 FNL 847 FEL 500 FSL 840 FEL
 Sec: 6 Twp: 2N Rng: 63W Sec: 6 Twp: 2N Rng: 63W

16. Is location in a high density area? (Rule 603b)? ☒ Yes ☐ No17. Distance to the nearest building, public road, above ground utility or railroad: 7500 ft18. Distance to nearest property line: 5280 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 141 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		160	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):

T2N-R63W Section 6: E2

25. Distance to Nearest Mineral Lease Line: 500 ft

26. Total Acres in Lease: 320

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	7113	650	7113	500
1ST LINER	6+1/8	4+1/2	11.6	5896	11065			

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 160 acres, E2E2 of Sec. 6 T2N R63W. Proposed spacing unit map and 30-day certificate is attached. Used the anti-collision report to find distance to the nearest well- Cuykendall 2-6.

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: 7/24/2013

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: 10/9/2013

API NUMBER

05 123 38275 00

Permit Number: _____ Expiration Date: 10/8/2015

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.

Description

- 1) Provide 48 hour notice prior to spud via electronic Form 42.
- 2) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) 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

<u>Att Doc Num</u>	<u>Name</u>
2167495	EXCEPTION LOC WAIVERS
400422785	FORM 2 SUBMITTED
400422809	PLAT
400422814	DIRECTIONAL DATA
400429567	DEVIATED DRILLING PLAN
400436063	PROPOSED SPACING UNIT
400439297	WAIVERS
400454666	30 DAY NOTICE LETTER
400454667	EXCEPTION LOC WAIVERS
400454685	OFFSET WELL EVALUATION
400454696	EXCEPTION LOC REQUEST

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Attached 318A.c waiver as per opr. Operator requests approval of a Rule 318Am exception location: Wellbore is to be located less than 150' from an existing wellbore. Request and waivers attached. Final review complete.	10/7/2013 11:26:13 AM
Permit	Requested signed 318Ac waiver from opr.	9/26/2013 10:45:25 AM
Engineer	Evaluated any existing wells within 1500' of proposed directional. All OK including: 123-11571, CUYKENDALL 2-6: PR, Isolation OK, annular fill x CBL@16 hrs ~830' up into surf csg. Requested Form 5 to update well file.	8/8/2013 12:32:12 PM
Permit	This form has passed completeness.	7/24/2013 3:41:36 PM

Total: 4 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012. The Colorado Oil and Gas Conservation Commission (COGCC) has established this Policy Regarding Bradenhead Monitoring During Hydraulic Fracturing Treatments ("Treatment") in the Greater Wattenberg Area ("GWA") pursuant to COGCC 207.a. ("Policy"). This Policy applies to oil and gas operations in the GWA as defined by the COGCC Rules of Practice and Procedure.
2	Drilling/Completion Operations	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 COGCC with the Form 5.

Total: 2 comment(s)