

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:

400422527

Date Received:

06/03/2013

PluggingBond SuretyID

20110078

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: DAKOTA EXPLORATION LLC 4. COGCC Operator Number: 10354

5. Address: 8801 S. YALE AVENUE, SUITE 120

City: TULSA State: OK Zip: 74137

6. Contact Name: Jake Cinnamon Phone: (918)8068687 Fax: (918)8068688

Email: jcinnamon@dakotaexploration.com

7. Well Name: Smock Well Number: 1-2-11-59H

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

9. Proposed Total Measured Depth: 10508

WELL LOCATION INFORMATION

10. QtrQtr: SW SW Sec: 2 Twp: 11N Rng: 59W Meridian: 6

Latitude: 40.947030 Longitude: -103.950850

Footage at Surface: 350 feet FSL 625 feet FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 5372 13. County: WELD

14. GPS Data:

Date of Measurement: 05/25/2013 PDOP Reading: 1.6 Instrument Operator's Name: Craig Burke

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 _____
923 FSL 625 FWL 600 FNL 625 FWL
Sec: 2 Twp: 11N Rng: 59W Sec: 2 Twp: 11N Rng: 59W

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: 4605 ft

18. Distance to nearest property line: 625 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1320 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	535-400	640	S. 2:All

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.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 1920

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
CONDUCTOR	24	20		0	80			
SURF	12+1/4	9+5/8	36	0	1350	531	1350	0
1ST	8+3/4	7	26	0	6738	223	6738	5338
1ST LINER	6+1/8	4+1/2	11.6	5788	10508			

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

33. Comments The question in number 17 refers to nearest above ground utility. The distance to the nearest building is 4985'.

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: Paul Collins

Title: Managing Member Date: 6/3/2013 Email: pcollins@dakotaexploration.co

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: 3/8/2014

API NUMBER
05 123 39051 00

Permit Number: _____ Expiration Date: 3/7/2016

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 of spud via electronic Form 42.
- 2) Set at least 1350' of surface casing. Cement to surface.
- 3) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400422527	FORM 2 SUBMITTED
400427112	WELL LOCATION PLAT
400427115	LEGAL/LEASE DESCRIPTION
400427509	DIRECTIONAL DATA
400427510	DEVIATED DRILLING PLAN
400428014	OFFSET WELL EVALUATION

Total Attach: 6 Files

General Comments

User Group	Comment	Comment Date
Permit	Oper. submitted logging BMP. No LGD or public comments. Final Review--passed.	3/6/2014 8:25:34 AM
Permit	Added spacing order approved 9/13. Related 2A on hold missing info. Emailed oper. requesting info be submitted by 12/6/13 or applications will be withdrawn.	11/6/2013 8:42:42 AM
Engineer	No existing wells within 500' of proposed directional.	6/27/2013 5:17:22 PM
Permit	Initial review complete. This well will produce both fee and fed minerals.	6/11/2013 11:52:45 AM
Permit	Operator submitted hearing application for July hearing. This form has passed completeness.	3/5/2013 2:32:44 PM
Permit	Returned to draft. Requested information on submittal of a proposed spacing order.	3/4/2013 9:16:17 AM

Total: 6 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Open hole resistivity log with gamma ray will be run in the vertical portion of the wellbore to describe the stratigraphy of the vertical section of the wellbore and to adequately verify the setting depth of the surface casing and aquifer coverage. This open hole log will be submitted with the Form 5 - Completion Report and all shallow formation tops will be reported on the form 5.

Total: 1 comment(s)