

**APPLICATION FOR PERMIT TO:**

**Drill**       Deepen       Re-enter       Recomplete and Operate

TYPE OF WELL    OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____	Refiling <input type="checkbox"/>
ZONE TYPE    SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Sidetrack <input type="checkbox"/>

Date Received:  
10/06/2014

Well Name: Puckett      Well Number: 41A-2

Name of Operator: CAERUS PICEANCE LLC      COGCC Operator Number: 10456

Address: 600 17TH STREET #1600N

City: DENVER      State: CO      Zip: 80202

Contact Name: Crissy Venturo      Phone: (720)352-7916      Fax: ( )

Email: cventuro@progressivepcs.net

**RECLAMATION FINANCIAL ASSURANCE**  
Plugging and Abandonment Bond Surety ID: 20130021

**WELL LOCATION INFORMATION**

QtrQtr: 66      Sec: 2      Twp: 7S      Rng: 97W      Meridian: 6

Latitude: 39.475811      Longitude: -108.180297

Footage at Surface:      2178 feet      <sup>FNL/FSL</sup> FNL 648 feet      <sup>FEL/FWL</sup> FEL

Field Name: WILDCAT      Field Number: 99999

Ground Elevation: 8478      County: GARFIELD

GPS Data:  
Date of Measurement: 08/19/2014    PDOP Reading: 1.3    Instrument Operator's Name: Harold Marshall

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

Footage at Top of Prod Zone:	<sup>FNL/FSL</sup> <u>FNL</u> <u>204</u>	<sup>FEL/FWL</sup> <u>FEL</u> <u>1153</u>	Bottom Hole:	<sup>FNL/FSL</sup> <u>FNL</u> <u>204</u>	<sup>FEL/FWL</sup> <u>FEL</u> <u>1153</u>
	Sec: <u>2</u>	Twp: <u>7S</u>		Sec: <u>2</u>	Twp: <u>7S</u>
	Rng: <u>97W</u>			Rng: <u>97W</u>	

**LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT**

Surface Ownership:  Fee       State       Federal       Indian

The Surface Owner is:  is the mineral owner beneath the location.  
(check all that apply)  is committed to an Oil and Gas Lease.  
 has signed the Oil and Gas Lease.  
 is the applicant.

The Mineral Owner beneath this Oil and Gas Location is:  Fee       State       Federal       Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: oil and gas lease

Surface damage assurance if no agreement is in place: \_\_\_\_\_      Surface Surety ID: \_\_\_\_\_

**LEASE INFORMATION**

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

ALL of Section 1, T72, 97W, the E2/E2 of Section 2, 7S, 97W and additional portions of 6S, 97W and 6S, 96W and 7S, 96W. Please see attached mineral lease map.

Total Acres in Described Lease: 5141 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # \_\_\_\_\_

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 172 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 5280 Feet  
 Building Unit: 5280 Feet  
 High Occupancy Building Unit: 5280 Feet  
 Designated Outside Activity Area: 5280 Feet  
 Public Road: 5280 Feet  
 Above Ground Utility: 5280 Feet  
 Railroad: 5280 Feet  
 Property Line: 4636 Feet

**INSTRUCTIONS:**

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).  
 - Enter 5280 for distance greater than 1 mile.  
 - Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.  
 - Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

**DESIGNATED SETBACK LOCATION INFORMATION**

Check all that apply. This location is within a:  Buffer Zone  
 Exception Zone  
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit  
 - Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.  
 - Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: \_\_\_\_\_

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: \_\_\_\_\_

**SPACING and UNIT INFORMATION**

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 325 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 204 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

**SPACING & FORMATIONS COMMENTS**

The WFCM is the target formation for this well.

**OBJECTIVE FORMATIONS**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
WILLIAMS FORK	WMFK	510-21	640	All

**DRILLING PROGRAM**

Proposed Total Measured Depth: 9230 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 325 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S Drilling Operations Plan)

Will salt sections be encountered during drilling?     No      
 Will salt based (>15,000 ppm Cl) drilling fluids be used?     No      
 Will oil based drilling fluids be used?     No      
 BOP Equipment Type:  Annular Preventor     Double Ram     Rotating Head     None

**GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING**

Water well sampling required per Rule     609    

**DRILLING WASTE MANAGEMENT PROGRAM**

Drilling Fluids Disposal:     OFFSITE          Drilling Fluids Disposal Methods:     Recycle/reuse    

Cuttings Disposal:     OFFSITE          Cuttings Disposal Method:     Beneficial reuse    

Other Disposal Description:

If cuttings meet Table 910 they will be beneficially reused.

Beneficial reuse or land application plan submitted?     No    

Reuse Facility ID: \_\_\_\_\_ or Document Number: \_\_\_\_\_

**CASING PROGRAM**

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	26	20	52.8	0	75	108	75	0
SURF	14+3/4	9+5/8	36	0	2500	1172	2500	0
1ST	8+3/4	4+1/2	11.6	0	9230	768	9230	

Conductor Casing is NOT planned

**DESIGNATED SETBACK LOCATION EXCEPTIONS**

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

**GREATER WATTENBERG AREA LOCATION EXCEPTIONS**

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

**RULE 502.b VARIANCE REQUEST**

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number \_\_\_\_\_

**OTHER LOCATION EXCEPTIONS**

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number \_\_\_\_\_
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

**OPERATOR COMMENTS AND SUBMITTAL**

Comments

First String / Production will be > 500 feet above TOG. Distance to nearest well completed in the same formation / permitted or existing well penetrating objective formation was measured to the proposed Puckett 41B-2. The distance to lease line was measured from the BHL to the west of the Puckett 5,141 acre lease. Please see the BMPs attached to the Form 2A Location Assessment for this well pad (Doc # 400697721).

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: \_\_\_\_\_

Is this application being submitted with an Oil and Gas Location Assessment application? Yes

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_ Print Name: Crissy Venturo

Title: Permit Representative Date: 10/6/2014 Email: cventuro@progressivepcs.net

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: 11/14/2014

Expiration Date: 11/13/2016

**API NUMBER**  
05 045 22625 00

## Conditions Of Approval

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

	Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.
	<p>1)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice.</p> <p>2)Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: all field notice requirements specified in this notice to operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see condition of approval #1). See attached notice.</p> <p>3)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesa Verde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.</p> <p>4)Comply with all provisions of the June 12, 2008 Notice to Operators drilling wells within 3/4 mile of the rim of the Roan Plateau in Garfield County – Pit Design, Construction and Monitoring Requirements. See attached notice.</p>

## Best Management Practices

### No BMP/COA Type

### Description

--	--

## Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.
NW Colorado Notification Policy.
Notice Concerning Operating Requirements for Wildlife Protection.
Pit Design, Construction and Monitoring Requirements Within 3/4 mile of the Rim of the Roan Plateau.

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400696407	FORM 2 SUBMITTED
400696413	DIRECTIONAL DATA
400696414	DEVIATED DRILLING PLAN
400696415	WELL LOCATION PLAT
400696715	MINERAL LEASE MAP

Total Attach: 5 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	11/11/2014 12:34:36 PM
Engineer	Evaluated existing offset wells within 1,500 feet of this wellbore. Offset wells target the MVRD formation. No mitigation required. The proposed surface casing is more than 50' below the depth of the deepest water well within 1-mile of the surface location when corrected for elevation differences. There are no water wells used for non-industrial purposes within a 1-mile radius of the surface location.	10/10/2014 2:10:37 PM
Permit	Passed Completeness	10/8/2014 9:33:52 AM

Total: 3 comment(s)