

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

TYPE OF WELL OIL GAS COALBED OTHER Unplanned Refilling

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Date Received:

Well Name: Chesnut Well Number: 21T-241ST

Name of Operator: PDC ENERGY INC COGCC Operator Number: 69175

Address: 1775 SHERMAN STREET - STE 3000

City: DENVER State: CO Zip: 80203

Contact Name: Venessa Langmacher Phone: (303)318-6102 Fax: (303)831-3988

Email: venessa.langmacher@pdce.com

RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 22090078

WELL LOCATION INFORMATION

QtrQtr: SESE Sec: 21 Twp: 5N Rng: 64W Meridian: 6

Latitude: 40.379640 Longitude: -104.546490

Footage at Surface: 788 feet FNL/FSL FSL 331 feet FEL/FWL FEL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 4637 County: WELD

GPS Data:
Date of Measurement: 11/06/2014 PDOP Reading: 1.9 Instrument Operator's Name: Jeff Dillingham

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

781 FSL 1816 FEL 500 FNL 1774 FEL

Sec: 21 Twp: 5N Rng: 64W Sec: 21 Twp: 5N Rng: 64W

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.)

Township 5 North, Range 64 West, 6th P.M.
Section 21: SE, excepting therefrom that certain 5 acre tract in the NE SE as more fully described in Warranty Deed recorded in Book 740 at Page 432 of the official records of Weld County, CO

Total Acres in Described Lease: 155 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: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 494 Feet
Building Unit: 494 Feet
High Occupancy Building Unit: 3103 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 314 Feet
Above Ground Utility: 341 Feet
Railroad: 1962 Feet
Property Line: 331 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: 02/25/2015

SPACING and UNIT INFORMATION

Distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 195 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 500 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

Proposed Spacing Unit: T5N-R64W Section 21: E2

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR		320	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 11518 Feet

Distance from proposed wellbore to nearest existing or permitted wellbore belonging to another operator:

195 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S 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 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Drill cuttings will be land applied at PDC spread fields with COGCC Facility ID 444255, 159534, 436033, 434889.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 444255 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
SURF	12+1/2	9+5/8	36	0	1492	690	1511	0
1ST	8+1/2	5+1/2	20	0	11518	2035	11518	0

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 Successfully cemented the 1st sidetrack. Time drilled from the top of the cement to the 1st sidetrack kop in attempt to re-enter original wellbore. We were not successful in finding the original hole. We inadvertently created a second sidetrack. It is now our plan to continue with this sidetrack and either reenter the original hole somewhere in the vertical or at the landing point. If this doesn't occur then the plan will be to drill to TD with the same original BHL.

a. Well name and API - Chesnut 21T-241 API# 05-123-42854

b. Explanation of situation and why you need to sidetrack – Unintentional sidetrack. Attempt to re-enter original hole not successful.

c. Total measured depth reached (also have TVD) 11,382' MD/ 6651 TVD'

d. Casing sizes set and measured depth 9-5/8" @ 1491' MD/ 1489' TVD

e. Description of fish-including top and bottom. Fish at 1900' in the original wellbore, piece of the float shoe 5" diameter, ~6" long, aluminum.

f. Type of cement you will be using including weight, yield, and sacks. Cement used in 1st sidetrack: 225 sx, 15.6ppg, 1.15 yd, 460'

g. Measured depth and TVD of sidetrack point 1900' MD/ 1888' TVD

h. Proposed target formation of sidetrack hole if different than permitted. Same as permit.

i. BHL of sidetrack hole. Same as original plan.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: _____

Is this application being submitted with an Oil and Gas Location Assessment application? _____ No

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

Signed: _____ Print Name: Venessa Langmacher

Title: Senior Regulatory Tech Date: _____ Email: venessa.langmacher@pdce.co

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: _____
Expiration Date: _____

API NUMBER

05 123 42854 02

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

COA Type	Description

Best Management Practices

No BMP/COA Type

Description

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Attachment Check List

Att Doc Num

Name

401024740	OffsetWellEvaluations Data
401024743	WELLBORE DIAGRAM
401024745	CORRESPONDENCE

Total Attach: 3 Files

General Comments

User Group

Comment

Comment Date

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Total: 0 comment(s)

