

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

2557001

Plugging Bond Surety

20060057

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: DIVERSIFIED OPERATING CORPORATION

4. COGCC Operator Number: 24461

5. Address: 15000 W 6TH AVE STE 102

City: GOLDEN State: CO Zip: 80401

6. Contact Name: BILL WARBURTON Phone: (303)384-9611 Fax: (303)384-9612

Email: wlw@doccolo.com

7. Well Name: HILLMAN Well Number: 9-1

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

9. Proposed Total Measured Depth: 9500

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 9 Twp: 10N Rng: 59W Meridian: 6

Latitude: 40.857180 Longitude: -103.976570

Footage at Surface: 610 FNL/FSL FNL 660 FEL/FWL FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 5101 13. County: WELD

14. GPS Data:

Date of Measurement: 03/18/2010 PDOP Reading: 4.3 Instrument Operator's Name: ROBERT THOMAS

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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 800 ft

18. Distance to nearest property line: 610 ft 19. Distance to nearest well permitted/completed in the same formation: 7500 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.)
D SAND	DSND			
J SAND	JSND			
VIRGIL	VRGL			

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):
ALL OF THE NE 1/4 SECTION 9 T10N R59W 6TH PM

25. Distance to Nearest Mineral Lease Line: 610 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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☐ Offsite ☒ Onsite

Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: DRY AND BACKFILL

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR	20	16		60			0
SURF	12+1/4	8+5/8	24	750	340	750	0
1ST	7+7/8	5+1/2	17	9,500	275	9,500	7,500
			Stage Tool	7,000	275	7,000	5,000

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

33. Comments _____

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: BILL WARBURTON

Title: ENGINEER Date: 4/21/2010 Email: wlw@docolo.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: David S. Neslin Director of COGCC Date: 6/16/2010

API NUMBER 05 123 31744 00	Permit Number: _____ Expiration Date: <u>6/15/2012</u>
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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.

COGCC ENG COA - SME 1) Provide 24 hr notice of spud to Colby Horton at 970-467-2517 or e-mail at colby.horton@state.co.us. 2) Note surface casing setting depth change from 600' to 750'. Increase cement coverage accordingly and cement to surface. Set surface casing, per Rule 317d, setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC. 3) If completed, cement coverage shall be at a minimum from the TD to 200' above Niobrara. Verify all placed cement with cement bond log and cementing tickets. 4) If dry hole, set 40 sks cement 50' above Virgil top, 115 sks cement from 50' below J Sand base to 50' above D Sand top, 40 sks cement 50' above Niobrara top, 50 sks cement ½ out, ½ in surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole. Restore surface location.

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Attachment Check List

Att Doc Num	Name	Doc Description
1725845	SURFACE CASING CHECK	LF@2486454 1725845
2557001	APD ORIGINAL	LF@2456651 2557001
2557002	WELL LOCATION PLAT	LF@2456652 2557002
2557003	TOPO MAP	LF@2456682 2557003
2557004	LOCATION PICTURES	LF@2456683 2557004
2557005	REFERENCE AREA MAP	LF@2456653 2557005
2557006	LEASE MAP	LF@2456654 2557006
2557007	30 DAY NOTICE LETTER	LF@2456655 2557007

Total Attach: 8 Files