

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:
400125198
Plugging Bond Surety
20090078

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: PETROLEUM DEVELOPMENT CORPORATION 4. COGCC Operator Number: 69175

5. Address: 1775 SHERMAN STREET - STE 3000
City: DENVER State: CO Zip: 80203

6. Contact Name: Liz Lindow Phone: (303)831-3974 Fax: ()
Email: llindow@petd.com

7. Well Name: Nelson Well Number: 32D

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

9. Proposed Total Measured Depth: 7500

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 32 Twp: 7N Rng: 66W Meridian: 6
Latitude: 40.527030 Longitude: -104.797900

Footage at Surface: 1185 feet FSL 1111 feet FWL

11. Field Name: Eaton Field Number: 19350

12. Ground Elevation: 4860 13. County: WELD

14. GPS Data:

Date of Measurement: 01/05/2011 PDOP Reading: 6.0 Instrument Operator's Name: Thomas Carlson

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: 480 ft

18. Distance to nearest property line: 80 ft 19. Distance to nearest well permitted/completed in the same formation: 580 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 Codell	NB-CD		160	SE4
Parkman	PRKM		160	SE4
Sussex Shannon	SX-SN		160	SE4

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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#: 19990086
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 Bon \$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):
SE/4 and a portion of the SW/4. See attached mineral lease map.
25. Distance to Nearest Mineral Lease Line: 1111 ft 26. Total Acres in Lease: 242

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: closed loop
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	8+5/8	24	0	900	500	900	0
1ST	7+7/8	4+1/2	10.5	0	7,500	525	7,500	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments Conductor casing will not be used. The Nelson 43-32D, 32D, 33-32D, 43-32D, and 34-32D will all be drilled from the same pad. The wells be be tied into a tank battery approximately 1072 feet to the south. Petroleum Development Corporation requests approval of a Rule 603a2 exception location: Well head is to be located closer than 150' to the nearest property line. Waiver attached.

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: Liz Lindow
Title: Permit Representative Date: 2/23/2011 Email: llindow@petd.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: 3/16/2011

API NUMBER Permit Number: _____ Expiration Date: 3/15/2013

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CONDITIONS OF APPROVAL, IF ANY:

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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.

- 1) Note surface casing setting depth change from 375' to 900'. Increase cement coverage accordingly.
- 2) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

Attachment Check List

Att Doc Num	Name
400125198	FORM 2 SUBMITTED
400125201	TOPO MAP
400125202	WELL LOCATION PLAT
400127777	MINERAL LEASE MAP
400131988	30 DAY NOTICE LETTER
400132908	EXCEPTION LOC REQUEST
400132909	EXCEPTION LOC WAIVERS
400132910	EXCEPTION LOC WAIVERS

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	---HOLD OFF	3/2/2011 3:13:54 PM
Permit	---ON HOLD--Waiting for change approval	3/2/2011 1:46:31 PM
Permit	-----Exception location request and offset surface owners (Nelson's, Moody's) waivers attached-wellhead closer than 150' to property line 603.a.2	3/2/2011 11:21:58 AM

Total: 3 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)