

FORM  
2  
Rev  
08/13

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:  
400615960

APPLICATION FOR PERMIT TO:

Drill  Deepen  Re-enter  Recomplete and Operate

TYPE OF WELL OIL  GAS  COALBED  OTHER HORIZONTAL

Refiling

Date Received:  
05/28/2014

ZONE TYPE SINGLE ZONE  MULTIPLE ZONES  COMMINGLE ZONES

Sidetrack

Well Name: Fortune Well Number: 4-9  
Name of Operator: SWEPI LP COGCC Operator Number: 78110  
Address: 150 N DAIRY ASHFORD  
City: HOUSTON State: TX Zip: 77079  
Contact Name: Anne Baldrige Phone: (303)305-7555 Fax: ( )  
Email: a.baldrige@shell.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030028

WELL LOCATION INFORMATION

QtrQtr: NWSE Sec: 9 Twp: 26S Rng: 70W Meridian: 6  
Latitude: 37.801253 Longitude: -105.223147

Footage at Surface: 2427 feet FNL/FSL FSL 1719 feet FEL/FWL FEL

Field Name: WILDCAT Field Number: 99999

Ground Elevation: 7233 County: HUERFANO

GPS Data:

Date of Measurement: 01/20/2012 PDOP Reading: 1.5 Instrument Operator's Name: J.H (Unitah)

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

Footage at Top of Prod Zone: FNL/FSL 2152 FSL 754 FEL 1220 FEL/FWL 2160 FEL  
Sec: 9 Twp: 26S Rng: 70W Sec: 10 Twp: 26S Rng: 70W

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.)

See attached mineral lease map

Total Acres in Described Lease: 2820 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: 695 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: 935 Feet  
 Above Ground Utility: 1735 Feet  
 Railroad: 5280 Feet  
 Property Line: 2070 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: 5280 Feet

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

Federal or State Unit Name (if appl): Gardner Unit Unit Number: COC76357X

**SPACING & FORMATIONS COMMENTS**

See attached mineral lease map attachment for mineral lease description and map. This APD is for the lateral hole.

**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			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 11231 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 5280 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? Yes

Will oil based drilling fluids be used? Yes

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: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

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	30	20	52.78	0	90	175	90	0
SURF	17+1/2	13+3/8	54.5	0	815	496	815	0
1ST	12+1/4	9+5/8	36	0	4183	737	4183	500
2ND	8+3/4	7	26	0	7172	522	7172	2000
1ST LINER	6+1/8	4+1/2	11.6	7072	11231	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 This Form 2 for the Fortune 4-9 lateral is a resubmittal of the existing approved Form 2 which expires 7/16/2014 (Document No. 400271696). A separate Form 2 will be submitted for the pilot hole portion of the well.

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

Location ID: 429623

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: Steve Compton

Title: Environmental Engineer Date: 5/28/2014 Email: c-steven.compton@shell.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: \_\_\_\_\_ Director of COGCC \_\_\_\_\_ Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

<b>API NUMBER</b>
05 055 06311 01

**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.**

<u>COA Type</u>	<u>Description</u>
Drilling/Completion Operations	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.
Planning	If the location is contained within a designated flood plain SWEPI agreed to use engineered anchors on the production equipment as described in the "Lessons Learned in the Front Range Flood of September 2013."
Material Handling and Spill Prevention	Utilize steel berming for the Production Facilities. These steel berms should be lined with synthetic liner material as recommended in the "Lessons Learned in the Front Range Flood of September 2013," to minimize the potential for a spill or release to impact groundwater or Muddy Creek.
Drilling/Completion Operations	1) Provide 48 hour notice prior to spud via electronic Form 42. 2) Set 9 5/8" casing (1st string) at least 50' below top of Pierre. Cement to 50' above base of surface casing. Verify coverage with cement bond log. No salt or oil base mud shall be used until after setting and cementing 1st string. 3) Provide cement coverage from base of 7" casing (2nd string) 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.

