

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



DE ET OE ES

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

Document Number:

2097244

Plugging Bond Surety

20060053

3. Name of Operator: CHEVRON MIDCONTINENT LP 4. COGCC Operator Number: 16695

5. Address: 11111 S WILCREST
City: HOUSTON State: TX Zip: 77099

6. Contact Name: ANTHONYZENOS Phone: (505)333-1919 Fax: (505)334-7117
Email: AZenos@chevron.com

7. Well Name: CRADER Well Number: 3-3

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

9. Proposed Total Measured Depth: 3304

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 2 Twp: 34N Rng: 9W Meridian: N
Latitude: 37.243080 Longitude: -107.831910

Footage at Surface: 150 FNL/FSL FNL 150 FEL/FWL FWL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 6909 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 10/12/2006 PDOP Reading: 2.7 Instrument Operator's Name: BILLY MCKOIN

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
1039 FNL 1040 FEL 1395 FNL 1515 FEL
Sec: 3 Twp: 34N Rng: 9W Sec: 3 Twp: 34N Rng: 9W

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: 2635

18. Distance to nearest property line: 150 19. Distance to nearest well permitted/completed in the same formation: 840

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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| FRUITLAND | FRLDC | 112-213 | 320 | E2 SECTION 3 |

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 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):
SEE ATTACHED

25. Distance to Nearest Mineral Lease Line: 215 26. Total Acres in Lease: 239

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: EVAPORATION & BURIAL

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| SURF | 12+1/4 | 9+5/8 | 36 | 539 | 210 | 539 | 0 |
| 1ST | 8+3/4 | 7 | 23 | 3,304 | 260 | 3,304 | 0 |

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

33. Comments **THIS LOCATION AND ACCESS ROAD (INCLUDING PIPELINE ROW) HAVE ALREADY BEEN BUILT. NO ADDITIONAL DISTURBANCE WILL BE REQUIRED TO DRILL AND PRODUCE THIS WELL.**

34. Location ID: 307024

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: ANTHONY ZENOS

Title: REGULATORY Date: 7/29/2009 Email: AZenos@chevron.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: 10/25/2009

| |
|-------------------|
| API NUMBER |
| 05 067 09614 00 |

Permit Number: _____ Expiration Date: 10/24/2010

CONDITIONS OF APPROVAL, IF ANY: _____

Condition of Approval

Comment

Agency

1) Provide 48 hour notice of spud to COGCC field inspector Leslie Melton (970) 375-6419 or les.melton@state.co.us 2) Provide cement coverage of production casing from TD to surface. Verify cement coverage with Cement Bond Log. 3) Run and submit Directional Survey from TD to kick-off point 4) The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the well bore complies with setback requirements in Commission orders and/or rules prior to producing the well. 5) Sample and test two closest water wells within 1/4 mile swath of the directional wellbore intercepting Fruitland Coal (includes pathway from top to bottom of pay). 6) Operators are required to obtain a bottom hole pressure utilizing a bottom hole gauge after a minimum 48 hour shut-in period following completion and prior to sales 7) Comply with all applicable provisions of Order 112-213

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|-----------------------|--------------------|
| 2032596 | SELECTED ITEMS REPORT | LF@2136382 2032596 |
| 2097244 | APD ORIGINAL | LF@2113631 2097244 |

Total Attach: 2 Files