

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:

400001843

Plugging Bond Surety

19970026

3. Name of Operator: MERIT ENERGY COMPANY

4. COGCC Operator Number: 56565

5. Address: 13727 NOEL ROAD STE 500

City: DALLAS State: TX Zip: 75240

6. Contact Name: MichalWhite Phone: (972)628-1658 Fax: (972)628-1958

Email: Michal.White@meritenergy.com

7. Well Name: Bolet Well Number: 5

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

9. Proposed Total Measured Depth: 7200

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 17 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.490000 Longitude: -104.682330

Footage at Surface: 1293 FNL/FSL FNL 1129 FEL/FWL FEL

11. Field Name: Eaton Field Number: 19350

12. Ground Elevation: 4750 13. County: WELD

14. GPS Data:

Date of Measurement: 05/07/2007 PDOP Reading: 6.0 Instrument Operator's Name: Thomas G. 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 _____

1 1 1 1

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: 917 ft

18. Distance to nearest property line: 1097 ft 19. Distance to nearest well permitted/completed in the same formation: 597 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 | 408-87 | 160 | NE/4 |

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):
NE, Sec. 17, T6N-R65W

25. Distance to Nearest Mineral Lease Line: 1129 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: _____

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 | 8+5/8 | 24# | 490 | 400 | 490 | |
| 1ST | 7+7/8 | 4+1/2 | 11.6# | 7,200 | 650 | 7,200 | |

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

33. Comments _____

34. Location ID: 310233

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: Michal K. White

Title: Regulatory Analyst Date: 8/12/2009 Email: Michal.White@meritenergy.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: 11/4/2009

API NUMBER

05 123 26108 00

Permit Number: _____ Expiration Date: 11/3/2010

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.

1) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us 2) 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 | Doc Description |
|-------------|----------------------|-------------------------------------|
| 400001843 | APD APPROVED | 400001843.pdf |
| 400002698 | WELL LOCATION PLAT | Bolet 5 Survey Plat.pdf |
| 400002699 | TOPO MAP | Bolet 5 Topo Map.pdf |
| 400002700 | SURFACE AGRMT/SURETY | Bolet 5 SUA.pdf |
| 400002701 | 30 DAY NOTICE LETTER | Bolet 5 Letter to Surface Owner.pdf |
| 400002702 | CORRESPONDENCE | Bolet 5 Letter to Commissioner.pdf |

Total Attach: 6 Files