

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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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:
1808864
Plugging Bond Surety
20090106

3. Name of Operator: EAST CHEYENNE GAS STORAGE LLC 4. COGCC Operator Number: 10322

5. Address: 10901 WEST TOLLER DRIVE - SUITE 200
City: LITTLETON State: CO Zip: 80127

6. Contact Name: GREG FRANCIS Phone: (720)351-4000 Fax: (720)351-4200
Email: GFRANCIS@MEPCO.US.COM

7. Well Name: MICHAELS Well Number: 1

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

9. Proposed Total Measured Depth: 5302

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 31 Twp: 12N Rng: 52W Meridian: 6

Latitude: 40.966520 Longitude: -103.225530

Footage at Surface: 992 FNL/FSL FSL 940 FEL/FWL FWL

11. Field Name: PEETZ WEST Field Number: 68300

12. Ground Elevation: 4545 13. County: LOGAN

14. GPS Data:

Date of Measurement: 11/06/2009 PDOP Reading: 2.3 Instrument Operator's Name: TIM LEIBERT

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: 986 ft

18. Distance to nearest property line: 990 ft 19. Distance to nearest well permitted/completed in the same formation: 2600 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 SANDSTONE	DSND			
J SANDSTONE	JSND			

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 SHEET. SIZE OF SURFACE HOLE UNKNOWN.

25. Distance to Nearest Mineral Lease Line: 940 ft 26. Total Acres in Lease: 151

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
CONDUCTOR	14+3/4	10+3/4	25.4	245	135	245	0
SURF		5+1/2	15.5	5,296	150	5,302	4,852

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

33. Comments WELL IS WITHIN A GAS STORAGE AREA. WELL IS TO BE RE-PLUGGED & ABANDONED TO INSURE NO VERTICAL MIGRATION OF GAS CAN OCCUR. WELL ORIGINAL PA 02/10/1961.

34. Location ID: 389116

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: GREG FRANCIS

Title: CONSULTING GEOLOGIST Date: 11/30/2009 Email: GFRANCIS@MEPCO.US.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: 1/20/2010

API NUMBER 05 075 07199 00	Permit Number: _____	Expiration Date: <u>1/19/2011</u>
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.

The intent of this COA is for re-entry and abandonment of the well bore: 1) Provide 24 hour notice of MIRU to Colby Horton at 970-467-2517 or e-mail at colby.horton@state.co.us. 2) After drilling out surface and downhole plugs proceed to re-abandon the well in accordance with the approved Form 6. Approved Form 6 contains 40-sack plug at 1200 feet. 3) The approval of this form does not authorize the testing of any formations for the presence of hydrocarbon.

Attachment Check List

Att Doc Num	Name	Doc Description
1808864	APD ORIGINAL	LF@2183674 1808864.00000
1808865	TOPO MAP	LF@2183677 1808865.00000
1808866	LOCATION PICTURES	LF@2183754 1808866.00000
1808869	WELL LOCATION PLAT	LF@2183676 1808869.00000
2063364	LOCATION DRAWING	LF@2183756 2063364.00000
400018655	FORM 2 SUBMITTED	LF@2188472 400018655.00000

Total Attach: 6 Files