

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:
1774709
Plugging Bond Surety
20090091

3. Name of Operator: BAYHORSE PETROLEUM LLC 4. COGCC Operator Number: 10234

5. Address: 2558 E PORTSMOUTH AVE
City: SALT LAKE CITY State: UT Zip: 84121

6. Contact Name: ROD VAUGHN Phone: (435)752-2021 Fax: (435)752-2021
Email: rlvaughn47@q.com

7. Well Name: TRADE WINDS Well Number: 2-28

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

9. Proposed Total Measured Depth: 5250

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 28 Twp: 18S Rng: 47W Meridian: 6
Latitude: 38.464000 Longitude: -102.677590

Footage at Surface: 1978 FNL/FSL FNL 862 FEL/FWL FEL

11. Field Name: LEFT HAND Field Number: 48880

12. Ground Elevation: 4138 13. County: KIOWA

14. GPS Data:

Date of Measurement: 11/04/2009 PDOP Reading: 1.6 Instrument Operator's Name: KEITH WESTFALL

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: 1278 ft

18. Distance to nearest property line: 662 ft 19. Distance to nearest well permitted/completed in the same formation: 1866

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.)
MARMATON	MRTN	252-6	80	E2NE
SPERGEN	SPGN		80	

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):
 NW/4, NE/4, SE/4 OF SEC. 28 AND SW/4 OF SEC. 27, T18S-R47W

25. Distance to Nearest Mineral Lease Line: 662 ft 26. Total Acres in Lease: 622

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	450	280	450	0
1ST	7+7/8	4+1/2	10.5	5,250	200	5,250	3,750

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

33. Comments Bayhorse requests an exception location to spacing to achieve the best geological structural location for the well. Because of common mineral ownership in the encroached upon spacing unit no waivers were sought. 1/29/10 plg. NO CONDUCTOR CASING WILL BE USED. PER R.V. 5 DEC '09.

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: RODNEY VAUGHN

Title: PRESIDENT Date: 12/3/2009 Email: RLVAUGHN47@Q.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. Nashin Director of COGCC Date: 1/29/2010

Permit Number: _____ Expiration Date: 1/28/2011

API NUMBER
05 061 06840 00

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 Mike Leonard at 719-767-2805 or e-mail at mike.leonard@ state.co.us. 2) If production casing is set provide cement coverage to at least 200' above top potentially productive zone, and stage cement Cheyenne & Dakota zones (100' below to 50' above, appx. 1460' - 880'). Run CBL to verify primary and stage cement jobs. 3) If well is a dry hole set the following plugs: 40 sks cement 50' above the Marmaton, 40 sks cement above any DST w/ show, 40 sks cement below base of Cheyenne (1460' up), 40 sks cement above top of Dakota (880' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement in rat hole and mouse hole.

Attachment Check List

Att Doc Num	Name	Doc Description
1774709	APD ORIGINAL	LF@2187006 1774709
1774710	WELL LOCATION PLAT	LF@2187007 1774710
1774711	TOPO MAP	LF@2187008 1774711
1774712	TOPO MAP	LF@2187010 1774712
1774713	MINERAL LEASE MAP	LF@2187011 1774713
1774714	WAIVERS	LF@2187012 1774714
1774715	H2S CONTINGENCY PLAN	LF@2187013 1774715
1828745	EXCEPTION LOC REQUEST	LF@2220387 1828745
1828746	WELL LOCATION PLAT	LF@2220386 1828746
2098487	SURFACE CASING CHECK	LF@2199764 2098487
400019850	FORM 2 SUBMITTED	LF@2193094 400019850

Total Attach: 11 Files