

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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|----|----|----|----|
| 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:

400036713

Plugging Bond Surety

20070019

3. Name of Operator: ORR ENERGY LLC4. COGCC Operator Number: 101545. Address: 1813 61ST AVE STE 200City: GREELEY State: CO Zip: 806346. Contact Name: Virginia Lopez Phone: (303)928-7128 Fax: (303)423-8765Email: virginia@petro-fs.com7. Well Name: AG Well Number: 32-41

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

9. Proposed Total Measured Depth: 7950

WELL LOCATION INFORMATION

10. QtrQtr: NE/NE Sec: 32 Twp: 6N Rng: 66W Meridian: 6Latitude: 40.450604 Longitude: -104.795177
 Footage at Surface: 475 FNL/FSL FNL 771 FEL/FWL FEL
11. Field Name: Bracewell Field Number: 748712. Ground Elevation: 4712 13. County: WELD

14. GPS Data:

Date of Measurement: 01/08/2010 PDOP Reading: 6.0 Instrument Operator's Name: Travis Kraich15. 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 ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 280 ft18. Distance to nearest property line: 179 ft 19. Distance to nearest well permitted/completed in the same formation: 1600 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Codell | CODL | | | |
| Dakota-Lakota | DK-LK | | | |
| J Sand | JSND | | | |
| Niobrara | NBRR | | | |
| Sussex | SUSX | | | |

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#: 0

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 1/4 of Section 32

25. Distance to Nearest Mineral Lease Line: 444 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 pds | 750 | 550 | 750 | |
| 1ST | 7+7/8 | 4+1/2 | 11.6 pds | 7,900 | 650 | 7,900 | |

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

33. Comments Application is not in a Comprehensive Drilling Plan. E-Forms does not give the option of a NO checkbox.

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: Virginia Lopez

Title: Regulatory Technician Date: 2/16/2010 Email: virginia@petro-fs.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: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|--------------------------------------|
| 400038327 | PLAT | AG 32-41 6N66W32 Plat.pdf |
| 400038332 | TOPO MAP | AG 32-41 Topo.pdf |
| 400038335 | 30 DAY NOTICE LETTER | AG 30 Day Notice Letter.pdf |
| 400040853 | FORM 2 SUBMITTED | 400040853.pdf |
| 400043690 | SURFACE AGRMT/SURETY | Surface Use Agreement_Orr Energy.pdf |

Total Attach: 5 Files