

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:

2096032

Plugging Bond Surety

3. Name of Operator: SG INTERESTS I LTD 4. COGCC Operator Number: 773305. Address: 1544 OXBOW DRIVECity: MONTROSE State: CO Zip: 814016. Contact Name: DIANE MCCALLUM Phone: (970)252-0696 Fax: (970)252-0636Email: DMCCALLUM@SGINTERESTS.COM7. Well Name: FEDERAL Well Number: 12-89-30 #18. Unit Name (if appl): WILDCAT Unit Number: 999999. Proposed Total Measured Depth: 7500

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 30 Twp: 12S Rng: 89W Meridian: 6Latitude: 38.991860 Longitude: -107.373190Footage at Surface: 267 FNL/FSL FNL 1261 FEL/FWL FEL11. Field Name: WILDCAT Field Number: 9999912. Ground Elevation: 7363.4 13. County: GUNNISON

14. GPS Data:

Date of Measurement: 11/08/2009 PDOP Reading: 0.2 Instrument Operator's Name: DAVID G. NICEWICZ15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 821 FNL 1261 FEL 1473 FEL/FWL 1257 FEL
Sec: 30 Twp: 12S Rng: 89W Sec: 30 Twp: 12S Rng: 89W16. Is location in a high density area? (Rule 603b)? Yes No17. Distance to the nearest building, public road, above ground utility or railroad: 4158 ft18. Distance to nearest property line: 267 ft 19. Distance to nearest well permitted/completed in the same formation: _____

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.)
CAMEO	CMEO			NENE
DAKOTA	DKTA			NENE

21. Mineral Ownership: Fee State Federal Indian Lease #: COC064169

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):
SEC. 30 & 31, T12S, R89W, 6TH PM

25. Distance to Nearest Mineral Lease Line: 267 ft 26. Total Acres in Lease: 1273

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	24	20	CONDUCTOR	80		80	0
SURF	16	13+3/8	54.5	400	318	400	80
1ST	12+1/4	9+5/8	40	4,075	912	4,075	400
2ND	8+1/2	5+1/2	17	7,775	609	7,775	3,875

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

33. Comments FORM #19 ABOVE: 1.77 MILES TO NEAREST PERMITTED CAMEO WELL, 1.94 MILES TO NEAREST PERMITTED DAKOTA WELL.

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: DIANE MCCALLUM

Title: ENGINEER Date: 2/16/2010 Email: DMCCALLUM@SGINTEREST

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: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05

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
2096032	APD ORIGINAL	LF@2418819 2096032
2096034	WELL LOCATION PLAT	LF@2418820 2096034
2096035	TOPO MAP	LF@2418892 2096035
2096036	MINERAL LEASE MAP	LF@2418894 2096036
2096037	OIL & GAS LEASE	LF@2418821 2096037
2096038	30 DAY NOTICE LETTER	LF@2418822 2096038
2096039	DEVIATED DRILLING PLAN	LF@2418823 2096039

Total Attach: 7 Files