

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:

400046331

Plugging Bond Surety

3. Name of Operator: MACHII-ROSS PETROLEUM CO

4. COGCC Operator Number: 52250

5. Address: 2901 28TH ST STE 205

City: SANTA MONICA State: CA Zip: 90405

6. Contact Name: ANDY PETERSON Phone: (970)669-7411 Fax: (970)669-4077

Email: andy.peterson@petersonenergy.com

7. Well Name: HORST Well Number: 44-21J

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 8220

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 21 Twp: 2N Rng: 67W Meridian: 6

Latitude: 40.118140 Longitude: -104.888990

Footage at Surface: 601 FNL/FSL FSL 780 FEL/FWL FEL

11. Field Name: SPINDLE Field Number: 77900

12. Ground Elevation: 5030 13. County: WELD

14. GPS Data:

Date of Measurement: 09/29/2008 PDOP Reading: 0.9 Instrument Operator's Name: DALLAS NIELSEN

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: 557 ft

18. Distance to nearest property line: 536 ft 19. Distance to nearest well permitted/completed in the same formation: 976 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	407-87	80	S/2 SE/4
J SAND	JSND	232-32	320	S/2
NIOBRARA	NBRR	407-87	80	S/2 SE/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):  
TOWNSHIP 2 NORTH, RANGE 67 WEST, SECTION 21, E/2 SE/4

25. Distance to Nearest Mineral Lease Line: 601 ft 26. Total Acres in Lease: 80

### 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	700	500	700	0
1ST	7+7/8	1+1/2	11.6	8,220	201	8,220	7,153
			Stage Tool	5,294	250	5,294	4,894

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

33. Comments NO CONDUCTOR CASING WILL BE RUN. THERE HAVE BEEN NO CHANGES RELATIVE TO THE PREVIOUSLY APPROVED PERMIT. PER OPERATOR GUIDANCE DOCUMENT FOR RE-FILES, NO ATTACHMENTS HAVE BEEN INCLUDED. THERE HAVE BEEN NO CHANGES TO THE SURROUNDING LAND USE.

34. Location ID: 410158

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: CLAYTON DOKE

Title: ENGINEER Date: 3/15/2010 Email: cdoke@petersonenergy.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: \_\_\_\_\_

<b>API NUMBER</b> 05 123 30216 00	Permit Number: _____	Expiration Date: _____
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**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.