

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:
400032158
Plugging Bond Surety
19880020

3. Name of Operator: MARATHON OIL COMPANY 4. COGCC Operator Number: 53650

5. Address: 5555 SAN FELIPE
City: HOUSTON State: TX Zip: 77056

6. Contact Name: Anna Walls Phone: (713)296-3468 Fax: (713)513-4394
Email: avwalls@marathonoil.com

7. Well Name: 596-20C Well Number: 16

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

9. Proposed Total Measured Depth: 10200

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 20 Twp: 5S Rng: 96W Meridian: 6
Latitude: 39.599040 Longitude: -108.200600

Footage at Surface: 2071 FNL/FSL FSL 442 FEL/FWL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8271.7 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 06/23/2008 PDOP Reading: 2.9 Instrument Operator's Name: William H Dolinar

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 _____
840 FSL 660 FWL 840 FSL 660 FWL
Sec: 20 Twp: 5S Rng: 96W Sec: 20 Twp: 5S Rng: 96W

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: 14889 ft

18. Distance to nearest property line: 442 ft 19. Distance to nearest well permitted/completed in the same formation: 640 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Williams Fork | WMFK | 510-18 | 320 | S/2 |

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

25. Distance to Nearest Mineral Lease Line: 4440 ft 26. Total Acres in Lease: 4541

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 | 20 | 16 | 53 | 100 | 100 | 100 | 0 |
| SURF | 14+3/4 | 9+5/8 | 36 | 2,000 | 1,000 | 2,000 | 0 |
| 1ST | 8+3/4 | 4+1/2 | 11.6 | 10,200 | 675 | 10,200 | 5,500 |

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

33. Comments Pad is constructed. Pit is built. Two wells on pad have been drilled and are currently waiting on completion. Decrease surface casing setting depth from 2500' to 2000'. Decrease TD & prod csg setting depth from 10604' to 10200'. No visible improvements w/in 400' of wellhead. Surface owned by: Chevron Minerals owned by: Chevron Per phone call with Anna Walls 02/16/10: 1. The pad has been built. 2. The pits have been constructed. The refiled well will not require any expansion / additional surface disturbance of the pad. 4. The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii). 5. The location is not in a wildlife restricted surface occupancy area. ksc 02/16/10

34. Location ID: 335960

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: Anna Walls

Title: Regulatory Compliance Rep Date: 2/1/2010 Email: avwalls@marathonoil.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: 3/21/2010

Permit Number: _____ Expiration Date: 3/20/2011

API NUMBER

05 045 17709 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)24 HOUR SPUD NOTICE REQUIRED. E-MAIL: Shaun.Kellerby@state.co.us 2)GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE 3)RESERVE PIT MUST BE LINED. 4)CEMENT TOP VERIFICATION BY CBL REQUIRED. 5)THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. 6)THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|----------------------|
| 400032348 | WELL LOCATION PLAT | LF@2419494 400032348 |
| 400033393 | 30 DAY NOTICE LETTER | LF@2419495 400033393 |
| 400034476 | LOCATION DRAWING | LF@2419496 400034476 |
| 400039256 | FORM 2 SUBMITTED | LF@2419497 400039256 |

Total Attach: 4 Files