

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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Document Number:
2582146
Plugging Bond Surety
20090053

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

Refilling
Sidetrack

3. Name of Operator: RUNNING FOXES PETROLEUM INC 4. COGCC Operator Number: 10221

5. Address: 7060 SOUTH TUCSON WAY - STE B
City: CENTENNIAL State: CO Zip: 80112

6. Contact Name: KENT KEPPEL Phone: (720)889-0510 Fax: (303)617-7442
Email: STEDESCO@RUNNINGFOXES.COM

7. Well Name: JOHN CRAIG Well Number: 7-2

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

9. Proposed Total Measured Depth: 8800

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 2 Twp: 10S Rng: 56W Meridian: 6
Latitude: 39.209630 Longitude: -103.628280

Footage at Surface: _____ FNL/FSL _____ FEL/FWL _____
1980 FNL 1980 FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 5270 13. County: LINCOLN

14. GPS Data:

Date of Measurement: 03/31/2010 PDOP Reading: 1.8 Instrument Operator's Name: ROBERT J. RUBINO

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: 4660 ft

18. Distance to nearest property line: 1980 ft 19. Distance to nearest well permitted/completed in the same formation: 1260 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.)
CHEROKEE	CHRK			
D&J SAND	DJSND			
MISSISSIPPIAN	MSSP			
PRECAMBRIAN	PCMB			

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#: 20070088

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):
SWNE, SECTION 2, T10S-R56W (PLUS ADDITIONAL)

25. Distance to Nearest Mineral Lease Line: 1980 ft 26. Total Acres in Lease: 5157

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: EVAPORATION & BURY

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	17+1/2	13+3/8	48	850	900	850	0
1ST	8+3/4	7	26	8,800	500	8,800	6,000

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

33. Comments #19 ABOVE: 1750' NORTHEAST OF JOHN CRAIG 11-2 IN SEC. 2, T10S-R56W. NO CONDUCTOR CASING WILL BE USED.

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: STEVEN A. TEDESCO

Title: PRESIDENT Date: 4/15/2010 Email: STEDESCO@RUNNINGFOX

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: 4/30/2010

API NUMBER
05 073 06413 00

Permit Number: _____ Expiration Date: 4/29/2012

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 Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us. 2) If production casing is set provide cement coverage to at least 200' above shallowest completed interval (200' above Cherokee at a minimum), and stage cement Cheyenne/Dakota interval (4880'-4260' minimum). Run and submit CBL to verify all cemented intervals. 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the Cherokee, 40 sks cement across any DST w/ show, 40 sks cement 100' below Cheyenne (4880' up), 40 sks cement 50' above top of Dakota (4260' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Issued early for exigent circumstances because of change in geologic interpretation and rig schedule. Waivers and request attached.

Attachment Check List

Att Doc Num	Name	Doc Description
1693	WAIVERS	LF@2460024 1693
1693279	WAIVERS	LF@2457959 1693279
1693280	WAIVERS	LF@2457958 1693280
1693288	WAIVERS	LF@2460035 1693288
2582146	APD ORIGINAL	LF@2453802 2582146
2582147	WELL LOCATION PLAT	LF@2453803 2582147
2582148	TOPO MAP	LF@2453847 2582148
2582149	MINERAL LEASE MAP	LF@2453848 2582149
2582150	30 DAY NOTICE LETTER	LF@2453804 2582150

Total Attach: 9 Files