

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:

400018839

Plugging Bond Surety

20070091

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 ☐

3. Name of Operator: UNIOIL

4. COGCC Operator Number: 90950

5. Address: 1775 SHERMAN ST STE 3000

City: DENVER State: CO Zip: 80203

6. Contact Name: Sarah Garrett Phone: (303)860-5803 Fax: (303)860-5838

Email: sgarrett@petd.com

7. Well Name: Binder Well Number: 10-SDU

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

9. Proposed Total Measured Depth: 7573

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 10 Twp: 4N Rng: 67W Meridian: 6

Latitude: 40.327420 Longitude: -104.877190

Footage at Surface: 2441 FNL/FSL FNL FEL/FWL FWL 2624

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4780 13. County: WELD

14. GPS Data:

Date of Measurement: 10/07/2008 PDOP Reading: 6.0 Instrument Operator's Name: Thomas G Carlson PLS 24657

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
2594 FNL 1371 FEL 2594 FNL 1371 FEL
Sec: 10 Twp: 4N Rng: 67W Sec: 10 Twp: 4N Rng: 67W

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: 191 ft

18. Distance to nearest property line: 191 ft 19. Distance to nearest well permitted/completed in the same formation: 1056 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.)
J Sand	JSND		160	GWA
NIOBRARA-CODELL	NB-CD	407-87	160	S/2NE/4 & N/2SE4
Sussex Shannon	SX-SN	N/A	160	S/2NE/4 & N/2SE4

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 4 North, Range 67 West, 6th P.M., Section 10:N2

25. Distance to Nearest Mineral Lease Line: 226 ft 26. Total Acres in Lease: 320

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	400	240	400	0
S.C. 1.1	7+7/8	4+1/2	10.5	7,573	220	7,573	4,000

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

33. Comments Conductor casing will not be used. Well is on the same pad as the following: Binder 10OU, 10SDU, 32-10DU, 22-10DU, 10CDU, and 10NDU.

34. Location ID: 415249

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: Sarah Garrett

Title: Landman Date: 1/11/2010 Email: sgarrett@petd.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: 2/11/2010

API NUMBER

05 123 31146 00

Permit Number: _____ Expiration Date: 2/10/2012

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 Bo Brown at 970-397-4124 or e-mail at bo.brown@state.co.us. 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log. 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Location is outside the drilling window and more than 50 from an existing well; exceptions granted

Location is outside the drilling window and more than 50 from an existing well; exceptions granted

Location is outside the drilling window and more than 50 from an existing well; exceptions granted

Attachment Check List

Att Doc Num	Name	Doc Description
400018855	30 DAY NOTICE LETTER	LF@2215800 400018855
400018856	DEVIATED DRILLING PLAN	LF@2215801 400018856
400018858	TOPO MAP	LF@2215802 400018858
400018860	PROPOSED SPACING UNIT	LF@2215803 400018860
400018862	PROPOSED SPACING UNIT	LF@2215804 400018862
400018866	EXCEPTION LOC REQUEST	LF@2215805 400018866
400018867	PLAT	LF@2215806 400018867
400027705	EXCEPTION LOC WAIVERS	LF@2215807 400027705
400027715	SURFACE AGRMT/SURETY	LF@2215808 400027715
400027716	FORM 2 SUBMITTED	LF@2215809 400027716

Total Attach: 10 Files