

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:

400006633

Plugging Bond Surety

19970026

3. Name of Operator: MERIT ENERGY COMPANY

4. COGCC Operator Number: 56565

5. Address: 13727 NOEL ROAD STE 500

City: DALLAS State: TX Zip: 75240

6. Contact Name: Michal White Phone: (972)628.1658 Fax: (972)628.1958

Email: Michal.White@meritenergy.com

7. Well Name: Avey Well Number: 41-9

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

9. Proposed Total Measured Depth: 8100

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 9 Twp: 1N Rng: 66W Meridian: 6

Latitude: 40.060260 Longitude: -104.789260

Footage at Surface: 657 FNL/FSL FSL 660 FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4943 13. County: WELD

14. GPS Data:

Date of Measurement: 02/07/2007 PDOP Reading: 4.3 Instrument Operator's Name: Robert D. Thomas

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: 534 ft

18. Distance to nearest property line: 240 ft 19. Distance to nearest well permitted/completed in the same formation: 1159 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	232.23	320	W/2
Niobrara-Codell	NB-CD	407.87	160	SW/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#: 20020015

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):
SW/4, Sec. 9, T1N-R66W

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 160

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#	980	400	980	
1ST	7+7/8	4+1/2	11.6#	8,100	600	8,100	

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

33. Comments _____

34. Location ID: 310224

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: Michal Karam White

Title: Regulatory Analyst Date: 9/24/2009 Email: Michal.White@meritenergy.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: 12/6/2009

API NUMBER

05 123 26099 00

Permit Number: _____ Expiration Date: 12/5/2011

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 Jim Precup at 303-469-1902 or e-mail at james.precup@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 Sussex to 200' above Sussex. Verify coverage with cement bond log.

Attachment Check List

Att Doc Num	Name	Doc Description
1769225	SURFACE CASING CHECK	LF@2170080 1769225
400006720	WELL LOCATION PLAT	LF@2157437 400006720
400006721	TOPO MAP	LF@2157438 400006721
400006722	OTHER	LF@2157439 400006722
400006725	CORRESPONDENCE	LF@2157440 400006725
400008464	30 DAY NOTICE LETTER	LF@2157441 400008464

Total Attach: 6 Files