

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 |
|----|----|----|----|

Document Number:

400006040

Plugging Bond Surety

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: MINERAL RESOURCES, INC.

4. COGCC Operator Number: 57667

5. Address: PO BOX 328

City: GREELEY State: CO Zip: 80632

6. Contact Name: Collin Richardson Phone: (970)352-9446 Fax: (800)850-9334

Email: collin@mineralresourcesinc.com

7. Well Name: Cole X6 Well Number: 4-8-31

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

9. Proposed Total Measured Depth: 7825

WELL LOCATION INFORMATION

10. QtrQtr: nesw Sec: 31 Twp: 5N Rng: 65W Meridian: 6

Latitude: 40.355620 Longitude: -104.709450

 Footage at Surface: 2605 FNL/FSL 1743 FEL/FWL
 FSL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4659 13. County: WELD

14. GPS Data:

Date of Measurement: 01/14/2008 PDOP Reading: 1.4 Instrument Operator's Name: Dallas Nielson

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
 135 FSL 2558 FEL 135 FSL 2558 FEL
 Sec: 31 Twp: 5N Rng: 65W Sec: 31 Twp: 5N Rng: 65W
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: 219 ft

18. Distance to nearest property line: 156 ft 19. Distance to nearest well permitted/completed in the same formation: 2318 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 | CD | 318A | 160 | see attached map |
| Niobrara | NB | 318A | 160 | see attached map |

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 lease and map.

25. Distance to Nearest Mineral Lease Line: 135 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+5/8 | 8+5/8 | 24 | 440 | 264 | 440 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 7,826 | 182 | 7,826 | 7,097 |

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

33. Comments No conductor casing will be set. The operator is the surface owner.

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: Dan Hull

Title: Senior Project Manager Date: _____ Email: dan.hull@lra-inc.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: _____

API NUMBER **05** Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|--|
| 400044141 | TOPO MAP | Cole X6 Topo.pdf |
| 400044142 | WELL LOCATION PLAT | Cole X6.pdf |
| 400044144 | UNIT CONFIGURATION MAP | 318A Spacing Unit Cole X6.pdf |
| 400044262 | MULTI-WELL PLAN | BH Cole X6.pdf |
| 400052052 | DEVIATED DRILLING PLAN | Mineral Cole X-6 4-8-31 Plan #7 4-1-10.pdf |
| 400057419 | 30 DAY NOTICE LETTER | 30 Day Notification Letter.pdf |
| 400057420 | EXCEPTION LOC REQUEST | Exception Location Request for Rule 318A.a.pdf |
| 400057422 | EXCEPTION LOC WAIVERS | Request Waiver for Rule 318A-c.pdf |
| 400057424 | SURFACE OWNER CONSENT | Surface Owner Notification Consultation.pdf |
| 400059312 | MINERAL LEASE MAP | OGL and Mineral Lease Map.pdf |
| 400060643 | OTHER | 20 day cert 318Ae Cole X6 4-8-31.pdf |

Total Attach: 11 Files