

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:

400006082

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: Farmers Y7 Well Number: 6-6-31

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

9. Proposed Total Measured Depth: 8062

WELL LOCATION INFORMATION

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

Latitude: 40.356180 Longitude: -104.707690

 Footage at Surface: 2434 FNL/FSL 2265 FEL/FWL
 FNL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4658 13. County: WELD

14. GPS Data:

Date of Measurement: 02/07/2008 PDOP Reading: 3.8 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
 1428 FSL 1193 FEL 1428 FSL 1193 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: 196 ft

18. Distance to nearest property line: 165 ft 19. Distance to nearest well permitted/completed in the same formation: 1747 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	407	160	SE/4, 31, 5N65W
Niobrara	NB	407	160	SE/4, 31, 5N65W

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: 1193 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	8,062	284	8,062	6,927

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
400044191	WELL LOCATION PLAT	Farmers Y7.pdf
400044196	TOPO MAP	Farmers Y7 Topo.pdf
400054292	DEVIATED DRILLING PLAN	Mineral Farmers Y7 6-6-31 Plan #4 4-5-10.pdf
400057435	30 DAY NOTICE LETTER	30 Day Notification Letter.pdf
400057436	EXCEPTION LOC REQUEST	Exception Location Request for Rule 318A.a.pdf
400057437	EXCEPTION LOC WAIVERS	Request Waiver for Rule 318A-c.pdf
400057438	SURFACE OWNER CONSENT	Surface Owner Notification Consultation.pdf
400059316	MINERAL LEASE MAP	OGL and Mineral Lease Map.pdf

Total Attach: 8 Files