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FORM APPROVED
OMB NO. 1004-0136
Expires: January 31, 2004

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. <p style="text-align: center;">COC-06935</p>	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No. <p style="text-align: center;">Pending</p>	
8. Lease Name and Well No. <p style="text-align: center;">Federal SR 22-9 (SR 12-9 Well Pad)</p>	
9. API Well No.	
10. Field and Pool, or Exploratory <p style="text-align: center;">Rulison</p>	
11. Sec., T., R., M., or Blk. And Survey or Area <p style="text-align: center;">9 7S, 94W 6th PM</p>	
12. County or Parish <p style="text-align: center;">Garfield</p>	13. State <p style="text-align: center;">Colorado</p>
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 8.0 miles East of Parachute, CO	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg unit line, if any) Prop Aprox 621' From SFC; Drlg Unit 1374' BHL	16. No. of Acres in lease <p style="text-align: center;">768.56</p>
17. Spacing Unit dedicated to this well <p style="text-align: center;">Section All (Pending)</p>	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. Approx 359' From BHL	19. Proposed Depth <p style="text-align: center;">MD 8735' TVD 8615'</p>
20. BLM/ BIA Bond No. on file <p style="text-align: center;">NMB000396</p>	
21. Elevations (Show whether DF, RT, GR, etc.) <p style="text-align: center;">6578' GR</p>	22. Aproximate date work will start* <p style="text-align: center;">1/1/2009</p>
	23. Estimated Duration <p style="text-align: center;">21 Days</p>

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- | | |
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| <ol style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | <ol style="list-style-type: none"> 4. Bond to cover the operations unless covered by existing bond on file(see item 20 above). 5. Operator certification. 6. Such other site specific information and/ or plans as may be required by the authorized officer. |
|---|--|

25. Signature 	Name (Printed/ Typed) Howard Harris	Date 6/2/08
Title Sr. Engineering Technician		
Approved By (Signature) 	Name (Printed/ Typed) Allen B. Crockett, Ph.D.	Date AUG 07 2008
Title Supervisory Natural Resource Specialist		
Office Glenwood Springs Energy Office		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to cc operations thereon.
Conditions of approval, if any, are attached.

"Conditions of Approval Attached"

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

* (Instructions on reverse)

APPROVED FOR A PERIOD
NOT TO EXCEED 2 YEARS

"APPROVAL TO FLARE GRANTED
WHILE DRILLING AND TESTING"