

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:  
400066126  
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: EAST CHEYENNE GAS STORAGE LLC 4. COGCC Operator Number: 10322  
5. Address: 10901 WEST TOLLER DRIVE - SUITE 200  
City: LITTLETON State: CO Zip: 80127  
6. Contact Name: Daniel Benedict Phone: (720)351-4000 Fax: (720)351-4200  
Email: dbenedict@mepco.us.com  
7. Well Name: Kenneth Gillham Well Number: 3  
8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_  
9. Proposed Total Measured Depth: 5340

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 6 Twp: 11N Rng: 52W Meridian: 6  
Latitude: 40.955480 Longitude: -103.220650  
Footage at Surface: 2300 FNL/FSL FSL 2293 FEL/FWL FWL  
11. Field Name: Peetz West Field Number: 68300  
12. Ground Elevation: 4556 13. County: LOGAN

14. GPS Data:

Date of Measurement: 04/27/2010 PDOP Reading: 2.5 Instrument Operator's Name: Darren Veal

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: 23 ft

18. Distance to nearest property line: 222 ft 19. Distance to nearest well permitted/completed in the same formation: 1213 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.)
D Sandstone	DSND			
J Sandstone	JSND			

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):

25. Distance to Nearest Mineral Lease Line: 222 ft 26. Total Acres in Lease: 304

### 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	13+5/8	9+5/8	25.4	216	175	217	0
1ST	9+1/2	5+1/2	15.5	5,339	250	5,340	3,840

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

33. Comments The well is within the gas storage area. The well is currently a producer in the "J" Sandstone that will be re-entered and re-completed into the "D" for pressure testing purposes. It will then be re-worked back to the "J" as a producer prior to eventually being re-worked again to the "D" where it will be utilized as an observation well for the gas storage project.

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: Daniel Benedict

Title: Engineer Date: \_\_\_\_\_ Email: dbenedict@mepco.us.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: \_\_\_\_\_

Permit Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

API NUMBER

05 075 07156 0

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
400066208		Gillham 3 Improvements Plat.pdf
400066209		Gillham 3 location photos.pdf
400066210		Gillham 3 Topo Map.pdf
400066211		Gillham 3 Well Location Plat.pdf

Total Attach: 4 Files