

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:

400068450

Plugging Bond Surety

20090106

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)351-4014 Fax: (720)351-4200

Email: dbenedict@mepco.us.com

7. Well Name: Michaels Well Number: 1

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

9. Proposed Total Measured Depth: 5351

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 31 Twp: 12N Rng: 52W Meridian: 6

Latitude: 40.966440 Longitude: -103.220750

Footage at Surface: 1003 FNL/FSL 2260 FEL/FWL

11. Field Name: Peetz West Field Number: 68300

12. Ground Elevation: 4541 13. County: LOGAN

14. GPS Data:

Date of Measurement: 11/06/2009 PDOP Reading: 3.0 Instrument Operator's Name: Tim Liebert

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: 986 ft

18. Distance to nearest property line: 233 ft 19. Distance to nearest well permitted/completed in the same formation: 1320 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#: 20090106

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: 233 ft 26. Total Acres in Lease: 151

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	14+3/4	10+3/4	25.4	245	135	245	0
1ST	9+1/2	5+1/2	15.5	5,296	150	5,296	4,852

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

33. Comments The well is within the gas storage area. The well is plugged and abandoned. Previously, the well was to be re-plugged and re-abandoned and that procedure is currently underway. We now wish to recomplete this well to the D Sandstone and utilize it as an Injection/Withdrawal well in 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: _____

API NUMBER 05 075 07200 00	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.