

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:

2557924

Plugging Bond Surety

20000063

3. Name of Operator: MULL DRILLING COMPANY INC

4. COGCC Operator Number: 61250

5. Address: 1700 N WATERFRONT PKWY B#1200

City: WICHITA State: KS Zip: 67206-6637

6. Contact Name: MARK SHREVE Phone: (316)264-6366 Fax: (316)264-6440

Email: MSHREVE@MULLDRILLING.COM

7. Well Name: PELTON "B" Well Number: 3

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

9. Proposed Total Measured Depth: 5600

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 34 Twp: 13S Rng: 44W Meridian: 6

Latitude: 38.875240 Longitude: -102.331060

Footage at Surface: 1810 FNL/FSL 600 FEL/FWL FSL FWL

11. Field Name: CHEYENNE WELLS Field Number: 11050

12. Ground Elevation: 4239 13. County: CHEYENNE

14. GPS Data:

Date of Measurement: 05/24/2010 PDOP Reading: 2.5 Instrument Operator's Name: ELIJAH FRANE W/HIGH PRAIRIE SURVEY

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: 600 ft

18. Distance to nearest property line: 600 ft 19. Distance to nearest well permitted/completed in the same formation: 1201 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.)
MISSISSIPPIAN	MSSP			
MORROW	MRRW			

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 Bond ☐ \$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):
W/2 SW/4 SECTION 34, TOWNSHIP 13 SOUTH, RANGE 44 WEST, 6TH PM, CHEYENNE COUNTY, COLORADO.

25. Distance to Nearest Mineral Lease Line: 600 ft 26. Total Acres in Lease: 80

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: BACKFILL WHEN DRY

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	17+1/2	13+3/8	48	440	300	440	0
1ST	9+7/8	8+5/8	24	1,700	75	1,700	1,500
2ND	7+7/8	5+1/2	15.5	5,600	250	5,600	3,700
S.C. 2.1				3,100	550	3,100	0
S.C. 2.2				2,500	500	2,500	0
			Stage Tool	2,400	500	2,400	0

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

33. Comments NO CONDUCTOR CASING WILL BE SET. INTERMEDIATE CASING WILL ONLY BE RUN IF NECESSARY DUE TO LOST CIRCULATION. OPERATOR (MS) CONFIRMED PLUGGING BOND ID IN EMAIL MKO 6-14-10.

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: MARK SHREVE

Title: PRESIDENT Date: 6/10/2010 Email: MSHREVE@MULLDRILLING.

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: David S. Neslin Director of COGCC Date: 7/11/2010

Permit Number: _____ Expiration Date: 7/10/2012

API NUMBER

05 017 07695 00

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.

1) Provide 24 hour notice of MIRU to Mike Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.

2) If production casing is set provide cement coverage from TD to at least 200' above the shallowest completed interval. Ensure cement coverage of the following intervals: Shawnee (4400'-3900') and Cheyenne/Dakota (2500' – 1900'). Verify with CBL.

3) If well is a dry hole set the following plugs: 40 sks cement +/- 50' above the Spergen, 40 sks cement +/- 50' above the Morrow, 40 sks cement +/- 100' below the Shawnee, 40 sks cement +/- 50' above the Shawnee, 40 sks cement across any DST w/ show, 40 sks cement 100' below base of Cheyenne (2500' up), 40 sks cement at top of Cheyenne (2280' up), 40 sks cement 50' above top of Dakota (1900' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Attachment Check List

Att Doc Num	Name	Doc Description
2557903	WELL LOCATION PLAT	LF@2489591 2557903
2557904	TOPO MAP	LF@2489640 2557904
2557905	ACCESS ROAD MAP	LF@2489639 2557905
2557906	LOCATION DRAWING	LF@2489638 2557906
2557908	LOCATION PICTURES	LF@2489635 2557908
2557909	LOCATION PICTURES	LF@2489636 2557909
2557910	LOCATION PICTURES	LF@2489637 2557910
2557911	30 DAY NOTICE LETTER	LF@2489592 2557911
2557912	SURFACE AGRMT/SURETY	LF@2489593 2557912
2557913	30 DAY NOTICE LETTER	LF@2489594 2557913
2557924	APD ORIGINAL	LF@2489590 2557924

Total Attach: 11 Files