

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:

400006012

Plugging Bond Surety

20090133

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: MAIN Y3 Well Number: 6-8-31

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

9. Proposed Total Measured Depth: 8065

WELL LOCATION INFORMATION

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

Latitude: 40.356110 Longitude: -104.707900

Footage at Surface: 2461 FNL/FSL FNL 2176 FEL/FWL 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: 2.5 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 50 FSL 1210 FEL 50 FEL 1210 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: 200 ft

18. Distance to nearest property line: 150 ft 19. Distance to nearest well permitted/completed in the same formation: 1973 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	CODL	407-87	160	GWA
Niobrara	NBRR	407-87	160	GWA

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: 50 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+7/8	24	440	264	440	0
1ST LINER	7+7/8	4+1/2	11.6	8,065	185	8,065	7,324

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. Operator requests the approval of an exception location to rule 318Aa, 318Ac. Applicant is the surface owner

34. Location ID: 332839

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: 5/10/2010 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: David S. Neslin Director of COGCC Date: 7/11/2010

API NUMBER

05 123 31835 00

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

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 Bo Brown at 970-330-6085 or e-mail at bobrown@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name	Doc Description
2553808	SURFACE CASING CHECK	LF@2482536 2553808
400006012	FORM 2 SUBMITTED	LF@2476356 400006012
400044049	UNIT CONFIGURATION MAP	LF@2476357 400044049
400044135	WELL LOCATION PLAT	LF@2476358 400044135
400044137	TOPO MAP	LF@2476359 400044137
400044260	MULTI-WELL PLAN	LF@2476360 400044260
400054012	DEVIATED DRILLING PLAN	LF@2476361 400054012
400057407	30 DAY NOTICE LETTER	LF@2476362 400057407
400057414	EXCEPTION LOC REQUEST	LF@2476363 400057414
400057416	SURFACE OWNER CONSENT	LF@2476364 400057416
400057418	EXCEPTION LOC REQUEST	LF@2476365 400057418
400059310	MINERAL LEASE MAP	LF@2476366 400059310
400060636	PROPOSED SPACING UNIT	LF@2476367 400060636

Total Attach: 13 Files