

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:

2584044

Plugging Bond Surety

19960010

3. Name of Operator: MATRIX ENERGY LLC

4. COGCC Operator Number: 54380

5. Address: 1241 THOROUGHbred ROAD

City: DURANGO State: CO Zip: 81303

6. Contact Name: DAVID BLANDFORD Phone: (970)247-1959 Fax: (970)247-2359

Email: ANDELEENERGY@GMAIL.COM

7. Well Name: MORO FARMS Well Number: 31-29

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

9. Proposed Total Measured Depth: 7479

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 29 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.463580 Longitude: -104.680180

Footage at Surface: 660 FNL/FSL FNL 700 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4709 13. County: WELD

14. GPS Data:

Date of Measurement: 04/02/2010 PDOP Reading: 2.0 Instrument Operator's Name: R. GABRIEL

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 660 FNL 1980 FEL/FWL FEL Bottom Hole: FNL/FSL 660 FNL 1980 FEL/FWL FEL
Sec: 29 Twp: 6N Rng: 65W Sec: 29 Twp: 6N 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: 660 ft

18. Distance to nearest property line: 660 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.)
NIOBRARA/CODELL	NB-CD	381-5	80	N/2NE4

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):
NENE SEC 29-T6N-R65W

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 40

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+1/4	8+5/8	24	560	175	560	0
1ST	7+7/8	4+1/2	11.6	7,479	500	7,479	0

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

33. Comments conductor casing will not be used

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: DAVID M. BLANDFORD

Title: CO-MANAGER Date: 8/17/2010 Email: ANDELEENERGY@GMAIL.CO

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: 9/21/2010

API NUMBER

05 123 32227 00

Permit Number: _____ Expiration Date: 9/20/2012

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 Ed Binkley at 970-506-9834 or e-mail at ed.binkley@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
2584044	APD ORIGINAL	LF@2531440 2584044
2584045	WELL LOCATION PLAT	LF@2531444 2584045
2584046	TOPO MAP	LF@2531512 2584046
2584047	WAIVERS	LF@2531442 2584047
2584048	SURFACE AGRMT/SURETY	LF@2531443 2584048
2584049	DEVIATED DRILLING PLAN	LF@2531441 2584049

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	bonding has been updated	9/21/2010 1:36:28 PM
Permit	Bonding insufficient; operator working on updating plugging bond.	9/10/2010 9:17:35 AM
Permit	Plugging bond added w/permission from opr-David	8/31/2010 11:38:18 AM

Total: 3 comment(s)

Error: Subreport could not be shown.