

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:
2584040
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: 41-29

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

9. Proposed Total Measured Depth: 7249

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 29 Twp: 6N Rng: 65W Meridian: 6
Latitude: 40.463570 Longitude: -104.680040

Footage at Surface: 660 FNL/FSL FSL 660 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 _____ 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: 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/2 NE/4

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	7,246	500	7,246	0

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

33. Comments _____

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: 8/5/2010 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. Nashin Director of COGCC Date: 9/21/2010

API NUMBER
05 123 32234 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.

Attachment Check List

Att Doc Num	Name	Doc Description
2584040	APD ORIGINAL	LF@2531445 2584040
2584041	WELL LOCATION PLAT	LF@2531446 2584041
2584042	TOPO MAP	LF@2531513 2584042
2584043	SURFACE AGRMT/SURETY	LF@2531447 2584043

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	bonding updated	9/21/2010 2:09:38 PM
Permit	lease description is the NENE per operator	9/21/2010 2:08:40 PM
Permit	Bonding insufficient; operator working on updating plugging bond.	9/10/2010 9:16:36 AM
Permit	Plugging Bond added w/permission from opr-David	8/31/2010 11:22:04 AM

Total: 4 comment(s)

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