

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:

400085231

Plugging Bond Surety

20090029

3. Name of Operator: HRM RESOURCES LLC

4. COGCC Operator Number: 10273

5. Address: 555 17TH STREET #950

City: DENVER State: CO Zip: 80202

6. Contact Name: CLAYTON DOKE Phone: (970)669-7411 Fax: (970)669-4077
Email: clay.doke@gmail.com

7. Well Name: DUTTON Well Number: 0-2-22

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

9. Proposed Total Measured Depth: 7510

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 22 Twp: 4N Rng: 67W Meridian: 6

Latitude: 40.302110 Longitude: -104.882150

Footage at Surface: 1158 FNL/FSL FNL 1177 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4871 13. County: WELD

14. GPS Data:

Date of Measurement: 08/09/2010 PDOP Reading: 0.9 Instrument Operator's Name: BRIAN T. BRINKMAN

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

Footage at Top of Prod Zone: FNL/FSL 1315 FNL 50 FWL FWL Bottom Hole: FNL/FSL 1315 FNL 50 FWL FWL
Sec: 22 Twp: 4N Rng: 67W Sec: 22 Twp: 4N Rng: 67W

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: 1150 ft

18. Distance to nearest property line: 155 ft 19. Distance to nearest well permitted/completed in the same formation: 863 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		160	GWA
NIOBRARA	NBRR		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 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):
22-4N-67W: N/2 NW/4

25. Distance to Nearest Mineral Lease Line: _____ 50 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: _____

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	590	250	590	0
1ST	7+7/8	4+1/2	11.6	7,510	150	7,510	6,720

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

33. Comments NO CONDUCTOR CASING WILL BE RUN. PROPOSED SPACING UNIT FOR NB-CD: NENE, SENE SEC. 21; NWNW SWNW SEC. 22 CONSISTING OF 160 ACRES. A PLEASE SEE THE ATTACHED DIAGRAM. THIS WELL WILL BE DRILLED UNDER THE TERMS OF A SURFACE USE AGREEMENT. A COPY OF THE EXECUTED SUA IS ON FILE WITH THE COMMISSION: DOC#2049908. HRM Resources, LLC requests approval of a Rule 318Ac exception location: Wellhead is to be located more than 50' from an existing well location.

34. Location ID: _____ 332807

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: CLAYTON DOKE

Title: ENGINEER Date: 8/23/2010 Email: cdoke@petersonenergy.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: 9/21/2010

API NUMBER

05 123 32241 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 Bo Brown at 970-397-4124 or e-mail at bo.brown@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
2621906	PROPOSED SPACING UNIT	LF@2544457 2621906
400085231	FORM 2 SUBMITTED	LF@2529191 400085231
400085298	DEVIATED DRILLING PLAN	LF@2529192 400085298
400085742	EXCEPTION LOC REQUEST	LF@2529193 400085742
400085843	PROPOSED SPACING UNIT	LF@2529194 400085843
400086610	EXCEPTION LOC WAIVERS	LF@2529195 400086610
400086643	PLAT	LF@2529196 400086643
400086649	PROPOSED SPACING UNIT	LF@2529197 400086649

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Uploaded 20 cert letter to application as attachment. PVG	9/21/2010 8:59:18 AM
Permit	ON HOLD. Application was submitted without the 20 day certification. Requested 20 day certification. Otherwise review complete. PVG	9/21/2010 5:42:16 AM
LGD	The Town of Milliken has no concerns with this project as the applicant is currently undergoing the Special Use Permitting process with the Town.	9/13/2010 4:30:28 PM
Permit	The above 2 forms/wells have designated a surface surety when it indicates surface and mineral fee are that same owner and that the surface owner's signature is on the lease. This means the surface surety is NOT needed and needs to be taken off. Opr acknowledged	8/24/2010 4:39:04 PM

Total: 4 comment(s)

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