

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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Document Number:

400087032

Plugging Bond Surety

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 ☐

Refilling ☐

Sidetrack ☐

3. Name of Operator: LARAMIE ENERGY II, LLC

4. COGCC Operator Number: 10232

5. Address: 1512 LARIMER ST STE 1000

City: DENVER State: CO Zip: 80202

6. Contact Name: Wayne P Bankert Phone: (970)683-5419 Fax: (303)339-4399
Email: wbankert@laramie-energy.com

7. Well Name: Honea Fed. Well Number: 24-09C

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

9. Proposed Total Measured Depth: 10934

WELL LOCATION INFORMATION

10. QtrQtr: Lot 2 Sec: 19 Twp: 7S Rng: 93W Meridian: 6

Latitude: 39.426291 Longitude: -107.822775

Footage at Surface: 2187 FNL/FSL FNL 904 FEL/FWL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 8563 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 07/09/2010 PDOP Reading: 2.6 Instrument Operator's Name: Jim Grabowski

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

Footage at Top of Prod Zone: FNL/FSL 1814 FSL 675 FEL FEL Bottom Hole: FNL/FSL 1814 FSL 675 FEL FEL
Sec: 24 Twp: 7S Rng: 94W Sec: 24 Twp: 7S Rng: 94W

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: 1824 ft

18. Distance to nearest property line: 246 ft 19. Distance to nearest well permitted/completed in the same formation: 2563 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.)
Williams Fork	WMFK			Unspaced

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC-066920

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 Lease Exhibit

25. Distance to Nearest Mineral Lease Line: 675 ft 26. Total Acres in Lease: 423

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
CONDUCTOR	26+0/0	16+0/0	42.0	40	78	40	0
SURF	14+3/4	8+5/8	32.0	2,500	500	2,500	0
1ST	7+7/8	4+1/2	11.6	10,934	1,400	10,934	7,077

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

33. Comments No Improvements within 200' of Wellhead. Closed drilling system will be implemented.

34. Location ID: 335038

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: Wayne P. Bankert

Title: Snr. Reg. & Env. Coord. Date: 8/24/2010 Email: wbankert@laramie-energy.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

05 045 19930 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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.

(3) NEW MAMM CREEK FIELD NOTICE TO OPERATORS APPLIES TO THIS WELL. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.

(4) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.

(5) NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT.

(6) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 00 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400087032	FORM 2 SUBMITTED	LF@2530922 400087032
400087055	WELL LOCATION PLAT	LF@2530923 400087055
400087059	DEVIATED DRILLING PLAN	LF@2530924 400087059
400087060	LEASE MAP	LF@2530925 400087060
400087061	FED. DRILLING PERMIT	LF@2530926 400087061
400087593	SURFACE AGRMT/SURETY	LF@2530927 400087593

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Received approval to correct the surface location lat/long to 39.426291/107.822775 to match the well plat per WB.	9/21/2010 3:55:16 PM
Permit	back to draft unnecessary plugging bond (Federal mineral) and SUA needs to be attached.	8/25/2010 4:02:21 PM

Total: 2 comment(s)

Error: Subreport could not be shown.