

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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| DE | ET | OE | ES |
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Document Number:

400085645

Plugging Bond Surety

20070074

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 ☐

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: Hawxhurst Well Number: 24-07C

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

9. Proposed Total Measured Depth: 7140

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 24 Twp: 9S Rng: 95W Meridian: 6

Latitude: 39.259423 Longitude: -107.935572

Footage at Surface: 1338 FNL/FSL FSL 629 FEL/FWL FEL

11. Field Name: BUZZARD Field Number: 9495

12. Ground Elevation: 6357 13. County: MESA

14. GPS Data:

Date of Measurement: 06/18/2010 PDOP Reading: 3.8 Instrument Operator's Name: Dave Murray

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

Footage at Top of Prod Zone: FNL/FSL FNL/FSL Bottom Hole: FNL/FSL FNL/FSL
1910 FNL 1907 FEL 1910 FNL 1907 FEL
Sec: 24 Twp: 9S Rng: 95W Sec: 24 Twp: 9S Rng: 95W

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: 325 ft

18. Distance to nearest property line: 560 ft 19. Distance to nearest well permitted/completed in the same formation: 890 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Mesa Verde | MVRD | 371-1 | 160 | NE sec 24 |

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 Exhibit. 1660 acres more or less.

25. Distance to Nearest Mineral Lease Line: 943 ft 26. Total Acres in Lease: 1660

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 | 420 | 40 | 78 | 40 | 0 |
| SURF | 12+1/4 | 8+5/8 | 32.0 | 1,200 | 500 | 1,200 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.0 | 7,140 | 1,200 | 7,140 | 4,436 |

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

33. Comments No improvements within 200' of the wellhead. A closed drilling system will be incorporated.

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: Wayne P. Bankert

Title: Snr. Reg. & Env. Coord. Date: 9/8/2010 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: 10/4/2010

API NUMBER

05 077 10107 00

Permit Number: _____ Expiration Date: 10/3/2012

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) SURFACE CASING MUST BE RUN TO A MINIMUM DEPTH OF 1420'.

3) 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 270 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 400085645 | FORM 2 SUBMITTED | LF@2538888 400085645 |
| 400090888 | WELL LOCATION PLAT | LF@2538889 400090888 |
| 400090889 | DEVIATED DRILLING PLAN | LF@2538890 400090889 |
| 400090890 | LEASE MAP | LF@2538891 400090890 |

Total Attach: 4 Files

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