

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



|    |    |    |    |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

APPLICATION FOR PERMIT TO:

1.  Drill,  Deepen,  Re-enter,  Recomplete and Operate

2. TYPE OF WELL

OIL  GAS  COALBED  OTHER Pilot Hole  
SINGLE ZONE  MULTIPLE ZONE  COMMINGLE ZONE

Refiling   
Sidetrack

Document Number:

400094200

Plugging Bond Surety

200090100

3. Name of Operator: TEXAS AMERICAN RESOURCES COMPANY 4. COGCC Operator Number: 10138

5. Address: 410 17TH STREET SUITE 1610  
City: DENVER State: CO Zip: 80202

6. Contact Name: Melissa Lasley Phone: (720)279-6805 Fax: (303)592-3030  
Email: mlasley@texasarc.com

7. Well Name: Cass Farms Well Number: 11-25H

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 7105

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 25 Twp: 8N Rng: 62W Meridian: 6

Latitude: 40.638930 Longitude: -104.276540

Footage at Surface: 320 FNL/FSL FNL 160 FEL/FWL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5006 13. County: WELD

14. GPS Data:

Date of Measurement: 08/17/2010 PDOP Reading: 2.2 Instrument Operator's Name: Brian Brinkman

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: 272 ft

18. Distance to nearest property line: 160 ft 19. Distance to nearest well permitted/completed in the same formation: 5280 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               | NBRR           | unspaced                | 320                           | W/2                                  |

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):  
T8N R62W S25: W1/2

25. Distance to Nearest Mineral Lease Line: 160 ft 26. Total Acres in Lease: 320

**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        | 14+3/4       | 10+3/4         | 45.5            | 680           | 650          | 680           | 0          |
| 1ST         | 9+7/8        | 7              | 26              | 7,105         | 500          | 6,730         | 4,500      |

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

33. Comments Please Note that the SUA is located within the lease. No conductor casing will be used. This Permit is a pilot hole permit and goes with a sidetrack permit DOC # 400094098 Please also note that the nearest distance to the mineral line will be 620' from the horizontal entry point. However the surface hole/pilot hole is 160' from the mineral line

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: Melissa Lasley

Title: Operations Analyst Date: 9/27/2010 Email: mlasley@texasarc.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. Nashin Director of COGCC Date: 10/23/2010

**API NUMBER**  
05 123 32424 00

Permit Number: \_\_\_\_\_ Expiration Date: 10/22/2012

**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 hr notice of spud and if DA to Bo Brown at 970-330-6085 or email at bo.brown@state.co.us.
- 2) Note surface casing setting depth change from 680' to 760'. Increase cement coverage accordingly. Set surface casing per Rule 317d, cement to surface. 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) If dry hole, 40 sks cement 50' above Niobrara top, tag 50 sks cement ½ out, ½ in surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole. Restore surface location.

Pilot hole cannot be completed in any formation due to encroachment issues to neighboring leases

### Attachment Check List

| Att Doc Num | Name                 | Doc Description      |
|-------------|----------------------|----------------------|
| 1726218     | SURFACE CASING CHECK | LF@2603645 1726218   |
| 400094200   | FORM 2 SUBMITTED     | LF@2570065 400094200 |
| 400096538   | 30 DAY NOTICE LETTER | LF@2570066 400096538 |
| 400096539   | OIL & GAS LEASE      | LF@2570067 400096539 |
| 400096548   | PLAT                 | LF@2570068 400096548 |

Total Attach: 5 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>   | <u>Comment Date</u>      |
|-------------------|--|--------------------------|
| Permit            | Revised survey plat on lateral permit supports top of production zone. Also a new directional plan added to latteral.  | 10/13/2010<br>8:21:38 AM |
| Permit            | On Hold Directional survey does not support the location plat when locating top of production.   | 10/7/2010<br>8:07:10 AM  |
| Permit            | proofed by Sarah Freeman; was turned back to draft by Yihsin for opr to attach proper attachments - should be ok now<br>2 form 2s - one for pilot, one for directional - same well name - so is one a sidetrack? | 9/30/2010<br>1:38:01 PM  |

Total: 3 comment(s)

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