

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
----	----	----	----

Document Number:

400093289

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 ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: AXIA ENERGY LLC

4. COGCC Operator Number: 10335

5. Address: 1430 LARIMER STREET #400

City: DENVER State: CO Zip: 80202

6. Contact Name: Venessa Langmacher Phone: (303)857-9999 Fax: (303)450-9200  
Email: vlpermitco@aol.com

7. Well Name: Kimball Creek Fed Well Number: 12-114D-995

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

9. Proposed Total Measured Depth: 8179

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 14 Twp: 9S Rng: 95W Meridian: 6

Latitude: 39.279376 Longitude: -107.953123

Footage at Surface: 1706 feet FNL/FSL 350 feet FEL/FWL FEL

11. Field Name: BUZZARD Field Number: 9495

12. Ground Elevation: 6819 13. County: MESA

14. GPS Data:

Date of Measurement: 07/22/2010 PDOP Reading: 2.4 Instrument Operator's Name: Ivan Martin

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

Footage at Top of Prod Zone: FNL/FSL 825 FSL 660 FWL 825 FSL 660 FWL  
Sec: 12 Twp: 9S Rng: 95W Sec: 12 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: 393 ft

18. Distance to nearest property line: 350 ft 19. Distance to nearest well permitted/completed in the same formation: 1481 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.)
Iles	ILES	371-7	320	N/2
Williams Fork	WMFK	371-7	320	N/2

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC64808

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 20100084

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):  
T9S-R95W: Sec 1: S/2NE, E/2SW, SE, Lots 1 & 2 Sec. 11: SENW, E/2SW Sec. 12: NE, E/2NW, SWNW, SW, NESE

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 1001

### 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: Evaporation and Burial

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24+0/0	16+0/0	65		60	100	60	0
SURF	12+1/4	8+5/8	32		1,000	570	1,000	0
1ST	7+7/8	4+1/2	11.6		8,507	884	8,507	4,468

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

33. Comments Axia Energy is the surface owner. Moved Surface Location per Federal request to Kimball Creek Fed 14-2D1-995 pad. Requiring change to surface location on form 2. New Well Plat & Deviated Drilling Plan submitted. 1/5/11. plg.

34. Location ID: 420191

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: Venessa Langmacher

Title: Regulatory Supervisor Date: 9/16/2010 Email: vllpermitco@aol.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: 1/21/2011

#### API NUMBER

05 077 10145 00

Permit Number: \_\_\_\_\_ Expiration Date: 1/20/2013

#### 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 1880'.

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 190 FEET DEEP.

### **Attachment Check List**

Att Doc Num	Name
1693776	FED. DRILLING PERMIT
1693777	WELL LOCATION PLAT
1693778	DEVIATED DRILLING PLAN
400093289	FORM 2 SUBMITTED

Total Attach: 4 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Moved Surface Location per Federal request to Kimball Creek Fed 14-2D1-995 pad. Requiring change to surface location on form 2. New Well Plat & Deviated Drilling Plan submitted. 1/5/11. plg.	1/5/2011 11:05:54 AM
Permit	ON HOLD. Operator requests the application remain on hold till they submit the Federal Permit.	10/29/2010 1:28:17 PM
Permit	ON HOLD. Changed to 312' f/property line, 990' f/nearest well. change minerals to federal. Requested Federal permit.	10/18/2010 1:29:26 PM

Total: 3 comment(s)

### **BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>

Total: 0 comment(s)