

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

Refilling
Sidetrack

Document Number:
400122972
Plugging Bond Surety
20000063

3. Name of Operator: MULL DRILLING COMPANY INC 4. COGCC Operator Number: 61250

5. Address: 1700 N WATERFRONT PKWY B#1200
City: WICHITA State: KS Zip: 67206-6637

6. Contact Name: MARK SHREVE Phone: (316)264-6366 Fax: (316)264-6440
Email: MSHREVE@MULLDRILLING.COM

7. Well Name: APC-SCHERLER Well Number: 1-15

8. Unit Name (if appl): N/A Unit Number: N/A

9. Proposed Total Measured Depth: 5000

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 15 Twp: 17S Rng: 45W Meridian: 6
Latitude: 38.579620 Longitude: -102.440260

Footage at Surface: 1885 feet FNL/FSL FNL 1424 feet FEL/FWL FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4117 13. County: KIOWA

14. GPS Data:

Date of Measurement: 01/05/2011 PDOP Reading: 2.3 Instrument Operator's Name: KEITH WESTFALL W/HIGH PRAIRIE SURVEY COMPANY

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: 1424 ft

18. Distance to nearest property line: 1424 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.)
LANSING	LNSNG			
MARMATON	MRTN			
MISSISSIPPIAN	MSSP			
MORROW	MRRW			

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#: 20010165

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):
E/2 & NW/4 SECTION 15, ALL SECTION 23 AND NW/4 SECTION 27, T17S-R45W, 6TH P.M., KIOWA COUNTY, COLORADO.

25. Distance to Nearest Mineral Lease Line: 1424 ft 26. Total Acres in Lease: 1280

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: DRY & BACKFILL

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
SURF	12+1/4	8+5/8	24	0	300	200	300	0
1ST	7+7/8	5+1/2	15.5	3500	5,000	250	5,000	3,500
			Stage Tool	0	2,300	300	2,300	0

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

33. Comments NO CONDUCTOR OR INTERMEDIATE CASING WILL BE SET.

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: MARK SHREVE

Title: PRESIDENT/COO Date: 1/12/2011 Email: MSHREVE@MULLDRILLING.

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: 2/8/2011

API NUMBER 05 061 06855 00	Permit Number: _____	Expiration Date: <u>2/7/2013</u>
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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 Mike Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.
- 2) Proposed cement is adequate. Ensure coverage to at least 200' above the shallowest productive interval and 50' below to 50' above Cheyenne/Dakota (1700' - 1100' minimum). Verify w/ CBL.
- 3) If well is a dry hole set the following plugs: 40 sks cement +/- 50' above the LNSG, 40 sks cement across any DST w/ show, 40 sks cement 50' below base of Cheyenne (1700' up), 40 sks cement 50' above top of Dakota (1100' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Attachment Check List

Att Doc Num	Name
400122972	FORM 2 SUBMITTED
400123072	WELL LOCATION PLAT
400123073	TOPO MAP
400123084	30 DAY NOTICE LETTER
400123085	30 DAY NOTICE LETTER

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED- JLV	2/7/2011 9:21:40 AM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)