

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:

400113763

Plugging Bond Surety

20090104

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: BLACK DIAMOND MINERALS LLC

4. COGCC Operator Number: 10244

5. Address: 1600 STOUT ST STE 1710

City: DENVER State: CO Zip: 80202

6. Contact Name: ROBERT VINCENT Phone: (303)973-3228 Fax: (303)346-4893
Email: rvincent@bdminerals.com

7. Well Name: TPR Well Number: 112-31

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

9. Proposed Total Measured Depth: 11677

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 25 Twp: 7S Rng: 94W Meridian: 6

Latitude: 39.404456 Longitude: -107.832733

Footage at Surface: 636 feet FNL/FSL FSL 1918 feet FEL/FWL FEL

11. Field Name: MAMM CREEK Field Number: 52500

12. Ground Elevation: 9131 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/04/2008 PDOP Reading: 3.7 Instrument Operator's Name: B. JOHNSON

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

Footage at Top of Prod Zone: FNL/FSL 473 FSL 748 FWL 748 Bottom Hole: FNL/FSL 473 FSL 748 FWL 748
Sec: 31 Twp: 7S Rng: 93W Sec: 31 Twp: 7S Rng: 93W

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: 2498 ft

18. Distance to nearest property line: 2015 ft 19. Distance to nearest well permitted/completed in the same formation: 1737 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 | 139-90 | | |

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 Bond ☐ \$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):
 ATTACHED TO ORIGINAL APD (FORM 2) SUBMITTED 5/5/08, APPROVED 8/13/08.

25. Distance to Nearest Mineral Lease Line: 2080 ft 26. Total Acres in Lease: 1664

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No

31. Mud disposal: ☐ Offsite ☒ Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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 | Wt/Ft | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 24 | 20 | | 0 | 192 | 11 | 192 | 0 |
| SURF | 14+3/4 | 9+5/8 | 32.3 | 0 | 1,500 | 709 | 1,500 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 11,040 | 667 | 11,040 | 6,970 |

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

33. Comments TPR WELL PAD 25A HAS BEEN CONSTRUCTED AND NO FURTHER SURFACE DISTURBANCE WILL BE NECESSARY TO DRILL, COMPLETE AND PRODUCE THIS WELL. CONDUCTOR PIPE HAS BEEN SET. A FORM 2A IS NOT REQUIRED - THE APPLICANT IS NOT SEEKING A VARIANCE FROM ANY OF THE RuLES LISTED IN RULE 306.D.(1).(A).(II) AND THE LOCATION IS NOT IN A RESTRICTED SURFACE OCCUPANCY AREA.

34. Location ID: 334457

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: MARY C. GRIGGS

Title: REG/PERMITTING AGENT Date: 12/3/2010 Email: MGRIGGS@BDMINERALS.CO

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. Nesline Director of COGCC Date: 2/13/2011

Permit Number: _____ Expiration Date: 2/12/2013

API NUMBER

05 045 16946 00

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) 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.

(4) 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 |
|-------------|------------------------|
| 1693815 | DEVIATED DRILLING PLAN |
| 400113763 | FORM 2 SUBMITTED |

Total Attach: 2 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | Corrected surface hole to previously submitted. Change via Sundry Notice dated 4/26/10 per Mary Griggs. plg. | 1/27/2011 10:02:19 AM |
| Permit | ON HOLD. Submitted under incorrect operator number. asked IT to correct. Operator requesting change of surface location. Requested new Well Location Plat & a new Deviated Drilling Plan. plg. | 1/14/2011 1:55:30 PM |
| Engineer | Casing/Cementing information requested from operator | 12/28/2010 11:40:51 AM |
| Permit | Changed field to Mamm Creek | 12/8/2010 5:54:42 PM |

Total: 4 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
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Total: 0 comment(s)