

FORM

2

Rev 12/05

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109

State of Colorado

Oil and Gas Conservation Commission



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Document Number:

400140859

Plugging Bond Surety

20100085

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: LARIO OIL & GAS COMPANY 4. COGCC Operator Number: 49888

5. Address: PO BOX 29
City: DENVER State: CO Zip: 80201

6. Contact Name: Christopher Noonan Phone: (303)820-4480 Fax: (303)820-4124
Email: bob@banko1.com

7. Well Name: Tebo Well Number: 32-1M

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

9. Proposed Total Measured Depth: 8900

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 32 Twp: 4S Rng: 64W Meridian: 6

Latitude: 39.660580 Longitude: -104.570410

Footage at Surface: 2254 feet FNL/FSL FNL 1300 feet FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5859 13. County: ARAPAHOE

14. GPS Data:

Date of Measurement: 03/02/2011 PDOP Reading: 2.0 Instrument Operator's Name: K. Daley

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: 3965 ft

18. Distance to nearest property line: 1300 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.)

21. Mineral Ownership: Fee State Federal Indian Lease #: 8874.001

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20100086

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):
 T4S R64W Sec. 28: W/2, Sec. 29: All, Sec. 32: All, Sec. 33: W/2; T5S R64W Sec. 1: Lots 1, 2, S/2N/2, S/2, Sec. 3: Lots 1, 3, 4, S/2N/2, S/2; T5S R63W Sec. 6: Lots 1, 2, 3, 4 S/2NE/4, SE/4NW/4, E/2SW/4, SE/4

25. Distance to Nearest Mineral Lease Line: 1300 ft 26. Total Acres in Lease: 4473

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
SURF	12+1/4	8+5/8		0	777	334	777	0
1ST	7+7/8	4+1/2		0	7,037	560	7,037	1,960

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

33. Comments _____

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: Christopher A. Noonan

Title: Permit Agent Date: 3/14/2011 Email: bob@banko1.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: _____ Director of COGCC Date: _____

API NUMBER	Permit Number: _____	Expiration Date: _____
05	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.

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Attachment Check List

Att Doc Num	Name
400142610	LAS-
400142612	LAS-
400142617	CEMENT JOB SUMMARY

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

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

Total: 0 comment(s)