

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES
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**APPLICATION FOR PERMIT TO:**

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

2. TYPE OF WELL

OIL     GAS     COALBED     OTHER MONITOR  
 SINGLE ZONE     MULTIPLE ZONE     COMMINGLE ZONE

Refiling   
 Sidetrack

Document Number:

400128866

Plugging Bond Surety

19880020

3. Name of Operator: MARATHON OIL COMPANY    4. COGCC Operator Number: 53650

5. Address: 5555 SAN FELIPE  
 City: HOUSTON    State: TX    Zip: 77056

6. Contact Name: Anna Walls    Phone: (713)296-3468    Fax: (713)513-4394  
 Email: avwalls@marathonoil.com

7. Well Name: Rawhide Flats 10-68-16    Well Number: 1M

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

9. Proposed Total Measured Depth: 7100

**WELL LOCATION INFORMATION**

10. QtrQtr: NWSE    Sec: 16    Twp: 10N    Rng: 68W    Meridian: 6

Latitude: 40.833938    Longitude: -105.007840

Footage at Surface: 2563 feet    FNL/FSL FSL    2100 feet    FEL/FWL FEL

11. Field Name: Wildcat    Field Number: 99999

12. Ground Elevation: 5579.5    13. County: LARIMER

14. GPS Data:

Date of Measurement: 12/23/2010    PDOP Reading: 1.8    Instrument Operator's Name: Alec Thomas

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: 2057 ft

18. Distance to nearest property line: 550 ft    19. Distance to nearest well permitted/completed in the same formation: 2585 ft

**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.)

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: 1137.1  
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):  
All of section 16, T10N, R68W, 6th P.M.  
25. Distance to Nearest Mineral Lease Line: 2100 26. Total Acres in Lease: 640

**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: backfill & cover cuttings pit  
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	20	16		0	40			
SURF	12+1/4	8+5/8	24	0	1,200	250	1,200	0
1ST	7+7/8	4+1/2	11.6	0	7,100	500	7,100	4,000

32. BOP Equipment Type:  Annular Preventer  Double Ram  Rotating Head  None  
33. Comments Surface & Minerals Owned By: Colorado State Land Board. No visible improvements w/in 400' of wellhead. This well is a monitor well intened for downhole monitoring purposes. It is not intended to be a producing well. Drilling mud will be reused/recycled and cuttings pit will be backfilled and covered.

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: Anna Walls  
Title: Reg. Compliance Rep Date: 2/17/2011 Email: avwalls@marathonoil.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: 3/24/2011

API NUMBER: **05 069 06435 00** Permit Number: \_\_\_\_\_ Expiration Date: 3/23/2013  
**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) Note surface casing setting depth change from 600' to 1200'. Increase cement coverage accordingly.
- 2) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

**Attachment Check List**

Att Doc Num	Name
400128866	FORM 2 SUBMITTED
400134002	30 DAY NOTICE LETTER
400134721	PLAT

Total Attach: 3 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	-----HOLD OFF--OK with SLB	3/8/2011 4:58:59 PM
Permit	----Changed nearest property line to west roughly 550' away. Removed objective formation NB-CD( monitor well). This interpretation/accuracy may be subject to change.	3/7/2011 6:39:14 PM
Permit	----ON HOLD- E-mailed Tim Kelly at SLB for verification of Surface Restoration bond.---Reviewed	3/7/2011 6:28:42 PM

Total: 3 comment(s)

**BMP**

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

Total: 0 comment(s)