

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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Document Number:

400134426

Plugging Bond Surety

20090029

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: HRM RESOURCES LLC4. COGCC Operator Number: 102735. Address: 555 17TH STREET #950City: DENVER State: CO Zip: 802026. Contact Name: Terry Hoffman Phone: (303)250-0619 Fax: (303)412-8212Email: tlhoffman@q.com7. Well Name: Hood Well Number: 6-2-20

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

9. Proposed Total Measured Depth: 7691**WELL LOCATION INFORMATION**10. QtrQtr: SESE Sec: 17 Twp: 6N Rng: 66W Meridian: 6Latitude: 40.482690 Longitude: -104.794780

Footage at Surface: 659 feet FNL/FSL FSL 653 feet FEL/FWL FEL

11. Field Name: Bracewell Field Number: 748712. Ground Elevation: 4771 13. County: WELD

14. GPS Data:

Date of Measurement: 11/23/2010 PDOP Reading: 2.2 Instrument Operator's Name: Brian Brinkman15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1213 FNL 1238 FEL 1325 FNL 1273 FEL
Sec: 20 Twp: 6N Rng: 66W Sec: 20 Twp: 6N Rng: 66W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 620 ft18. Distance to nearest property line: 223 ft 19. Distance to nearest well permitted/completed in the same formation: 15 ft20. **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.)
Niobrara-Codell	NB-CD	381-5	160	GWA

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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#: 20080120

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):
A parcel of land in Section 17-T6N-R66W in the SE/4 lying South of the Cache La Poudre Irrigation Company #2 Ditch (65 acres); & Section 21-T6N-R66W: W/2 NW/4 (80 acres).

25. Distance to Nearest Mineral Lease Line: 1213 ft 26. Total Acres in Lease: 145

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

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	24	0	650	450	650	0
1ST	7+7/8	4+1/2	11.6	0	7,691	185	7,691	6,924

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

33. Comments Conductor will not be set on this well. All footages 5280' are a mile or greater. Proposed spacing of the 160 acres is in Section 20-T6N-R66W: NE/4.

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: Terry L. Hoffman

Title: Permit Agent Date: 2/22/2011 Email: tlhoffman@q.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: 3/31/2011

API NUMBER

05 123 33252 00

Permit Number: _____ Expiration Date: 3/30/2013

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) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
400134426	FORM 2 SUBMITTED
400134427	PLAT
400135906	30 DAY NOTICE LETTER
400135907	DEVIATED DRILLING PLAN

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed: Distance to nearest property line. plg.	3/3/2011 8:47:22 AM
Permit	Requested: Distance to nearest property line. plg.	3/2/2011 2:18:19 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)