


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		<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
DE	ET	OE	ES				
APPLICATION FOR PERMIT TO:			Document Number: 400140960 Plugging Bond Surety 20100085				
1. <input checked="" type="checkbox"/> Drill, <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER <input type="checkbox"/> <u>MONITORING WELL</u> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>LARIO OIL & GAS COMPANY</u>		4. COGCC Operator Number: <u>49888</u>					
5. Address: <u>PO BOX 29</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80201</u>							
6. Contact Name: <u>Christopher Noonan</u> Phone: <u>(303)820-4480</u> Fax: <u>(303)820-4124</u> Email: <u>bob@banko1.com</u>							
7. Well Name: <u>Grimm</u>		Well Number: <u>34-3M</u>					
8. Unit Name (if appl): _____		Unit Number: _____					
9. Proposed Total Measured Depth: <u>8900</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>SENW</u> Sec: <u>34</u> Twp: <u>4S</u> Rng: <u>64W</u> Meridian: <u>6</u> Latitude: <u>39.659790</u> Longitude: <u>-104.542310</u>							
Footage at Surface: <u>2383</u> feet FNL/FSL <u>FNL</u> <u>1320</u> feet FEL/FWL <u>FWL</u>							
11. Field Name: <u>Wildcat</u>		Field Number: <u>99999</u>					
12. Ground Elevation: <u>5763</u>		13. County: <u>ARAPAHOE</u>					
14. GPS Data: Date of Measurement: <u>03/11/2011</u> PDOP Reading: <u>1.2</u> Instrument Operator's Name: <u>K. Daley</u>							
15. If well is <input type="checkbox"/> Directional <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>2400 ft</u>							
18. Distance to nearest property line: <u>252 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>1856 ft</u>							
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.)			
J Sand	JSND						

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#: _____

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):
Fee Lease D0065142: T4S R64W Sec 34: NW/4, N/2NE/4, SE/4NE/4. Fee Lease D0043215: T4S R64W Sec 34: S/2, SW/4NE/4

25. Distance to Nearest Mineral Lease Line: 242 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: _____

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	60	50	60	0
SURF	12+1/4	8+5/8	24	0	2,000	915	2,000	0
1ST	7+7/8	5+1/2	17	0	8,900	900	8,900	6,600

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

33. Comments This is a monitor well

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: David S. Neslin Director of COGCC Date: 4/8/2011

API NUMBER

05 005 07158 00

Permit Number: _____ Expiration Date: 4/7/2013

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 Jim Precup at 303-469-1902 or e-mail at jim.precup@state.co.us.
- 2) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) If dry hole, set 60 sks cement from 50' below D Sand base to 100' above D Sand top, 40 sks cement 50' above Niobrara top, 50 sks cement ½ out, ½ in surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole. Restore surface location.

This well cannot be completed in any formation without a pooling agreement.

Attachment Check List

Att Doc Num	Name
2111251	SURFACE CASING CHECK
400140960	FORM 2 SUBMITTED
400142421	WELL LOCATION PLAT
400142422	ACCESS ROAD MAP
400142423	EQUIPMENT LIST
400142902	DRILLING PLAN

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	on hold Well is 242 feet from lease line which will involve a pooling agreement if this well is completed. this is a monitor well.	3/17/2011 1:15:41 PM
Permit	Corrected well and zone type by request of opr. sf	3/16/2011 9:51:53 AM
Permit	Back to draft at opr's request. sf	3/15/2011 10:36:26 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)