

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		DE ET OE ES	
APPLICATION FOR PERMIT TO:			Document Number: 400128632 Plugging Bond Surety 19980020	
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>Pilot Hole</u> SINGLE ZONE <input checked="" 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>CHESAPEAKE OPERATING INC</u>		4. COGCC Operator Number: <u>16660</u>		
5. Address: <u>P O BOX 18496</u> City: <u>OKLAHOMA CITY</u> State: <u>OK</u> Zip: <u>73154-0496</u>				
6. Contact Name: <u>Venessa Langmacher</u> Phone: <u>(303)8579999</u> Fax: <u>(303)4509200</u> Email: <u>vllpermitco@aol.com</u>				
7. Well Name: <u>Cass</u>		Well Number: <u>7-62 16-1H</u>		
8. Unit Name (if appl): _____		Unit Number: _____		
9. Proposed Total Measured Depth: <u>6900</u>				
WELL LOCATION INFORMATION				
10. QtrQtr: <u>NW NE</u> Sec: <u>15</u> Twp: <u>7N</u> Rng: <u>62W</u> Meridian: <u>6</u> Latitude: <u>40.579738</u> Longitude: <u>-104.304933</u>				
Footage at Surface: <u>600</u> feet FNL/FSL <u>FNL</u> <u>1979</u> feet FEL/FWL <u>FEL</u>				
11. Field Name: <u>Wildcat</u>		Field Number: <u>99999</u>		
12. Ground Elevation: <u>4778</u>		13. County: <u>WELD</u>		
14. GPS Data: Date of Measurement: <u>01/14/2011</u> PDOP Reading: <u>2.4</u> Instrument Operator's Name: <u>Paul Orme</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>600 ft</u>				
18. Distance to nearest property line: <u>600 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>5280 ft</u>				
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	NBRR	535-11		

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#: 20000041
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):
T7N-62W: Section 15: All
25. Distance to Nearest Mineral Lease Line: 600 ft 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: Evaporation and Burial
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	16	0	0	80	352	80	0
SURF	12+1/4	9+5/8	36	0	1,000	292	1,000	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments This is for a pilot hole for informational purposes only.

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: Venessa Langmacher
Title: Regulatory Supervisor Date: 1/28/2011 Email: vlpermitco@aol.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: 4/12/2011

Permit Number: _____ Expiration Date: 4/11/2013

API NUMBER
05 123 33328 00

CONDITIONS OF APPROVAL, IF ANY:

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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 hr notice of MIRU to Colby Horton at 970-370-0040 or colby.horton@state.co.us.
- 2) Set surface casing per Rule 317d, cement to surface. Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC.
- 3) If completed, provide cement coverage from the intermediate casing shoe to a minimum of 200' above Niobrara. Verify cement with a cement bond log.
- 4) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.
- 5) If dry hole, 40 sks cement 50' above Niobrara top, tag 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 location.

Attachment Check List

Att Doc Num	Name
400128632	FORM 2 SUBMITTED
400128796	PLAT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Spacing order approved releasing permit from any lease questions.	4/12/2011 11:19:47 AM
Permit	waiting for lease map to verify leasehold	3/4/2011 12:01:03 PM
Permit	On hold pending expiration of the 20 day comment period.	2/4/2011 9:53:21 AM
Permit	this is the pilot o a pilot/lateral drilling plan.	2/4/2011 9:52:21 AM
Permit	Opr corrected & resubmitted. kk	2/1/2011 3:08:32 PM
Permit	Back to draft for correction to Qtr/Qtr section. sf	1/31/2011 12:00:40 PM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)