


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: <div style="text-align: center;">400157619</div> Plugging Bond Surety <div style="text-align: center;">20020109</div>				
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 checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> COMMINGLE ZONE <input type="checkbox"/>		Refiling <input checked="" type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>MCELVAIN OIL & GAS PROPERTIES</u> 4. COGCC Operator Number: <u>55575</u>							
5. Address: <u>1050 17TH ST STE 2500</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80265-2080</u>							
6. Contact Name: <u>LISA SMITH</u> Phone: <u>(303)8579999</u> Fax: <u>(303)4509200</u> Email: <u>lspermitco@aol.com</u>							
7. Well Name: <u>Maroon</u> Well Number: <u>18-4</u>							
8. Unit Name (if appl): _____ Unit Number: _____							
9. Proposed Total Measured Depth: <u>2750</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>Lot 1</u> Sec: <u>18</u> Twp: <u>2S</u> Rng: <u>46W</u> Meridian: <u>6</u> Latitude: <u>39.889120</u> Longitude: <u>-102.574280</u>							
Footage at Surface: <u>305</u> feet FNL/FSL <u>FNL</u> <u>580</u> feet FEL/FWL <u>FWL</u>							
11. Field Name: <u>Wildcat</u> Field Number: <u>99999</u>							
12. Ground Elevation: <u>4113</u> 13. County: <u>YUMA</u>							
14. GPS Data: Date of Measurement: <u>04/06/2011</u> PDOP Reading: <u>2.0</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>537 ft</u>							
18. Distance to nearest property line: <u>305 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>1400 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.)			
Niobrara	NBRR						

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):
T2S - R46W: Section 18: N/2

25. Distance to Nearest Mineral Lease Line: _____ 305 ft 26. Total Acres in Lease: _____ 329

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	9+7/8	7	17	0	450	120	450	0
1ST	6+1/4	4+1/2	10.5	0	2,750	200	2,750	0

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

33. Comments This location was previously approved under API # 05-125-11685 but has since expired. No conductor casing will be set.

34. Location ID: _____ 411786

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: LISA SMITH

Title: Regulatory Supervisor Date: 4/25/2011 Email: lspermitco@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: 5/24/2011

API NUMBER

05 125 11685 00

Permit Number: _____ Expiration Date: 5/23/2013

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) Provide 24 hr notice of spud to Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.
- 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (450' minimum - as proposed). 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 TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) If dry hole, set 35 sks cement 50' above Niobrara top, 35 sks cement ½ out, ½ in surface casing, 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

Attachment Check List

Att Doc Num	Name
400157619	FORM 2 SUBMITTED
400157776	PLAT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Engineer	Requested operator Lisa Smith 'lspermitco@aol.com' to provide casing and cement table info. Next day 5/17/11 the table is filled out. Was a glitch in the system?	5/16/2011 1:19:50 PM
Permit	Venessa resubmitted the location description to read Lot 1. BY	4/26/2011 8:40:06 AM
Permit	Pushed back to DRAFT as location description reads NWNW should read Lot 1. Emailed Venessa. BY	4/26/2011 7:07:53 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)