

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
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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

Document Number:
 400134733

Plugging Bond Surety
 20050105

3. Name of Operator: ST. JAMES ENERGY OPERATING INC 4. COGCC Operator Number: 10131

5. Address: 11177 EAGLE VIEW DR STE 1
 City: SANDY State: UT Zip: 84092

6. Contact Name: Kent Moore Phone: (970)301-0291 Fax: (970)378-8623
 Email: nick.callaway@lra-inc.com

7. Well Name: FAIRMEADOWS Well Number: 4-30

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

9. Proposed Total Measured Depth: 7300

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 30 Twp: 6N Rng: 63W Meridian: 6
 Latitude: 40.455680 Longitude: -104.477310

Footage at Surface: 1978 feet FNL/FSL FSL 1972 feet FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4646 13. County: WELD

14. GPS Data:
 Date of Measurement: 03/01/2008 PDOP Reading: 2.5 Instrument Operator's Name: J. RHOTEN

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: 1978 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation: 1316 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.)
Codell	CODL	407-87	80	W/2SE4
Niobrara	NBRR	407-87	80	W/2SE4

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#: 20070026
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):
see attached lease
25. Distance to Nearest Mineral Lease Line: 660 26. Total Acres in Lease: 240

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	12+1/4	8+5/8	24	0	760	515	760	0
1ST	7+7/8	4+1/2	11.6	0	7,300	760	7,300	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments No conductor casing will be set

34. Location ID: 302386
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: Dan
Title: Hull Date: 4/19/2011 Email: dan.hull@lra-inc.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: 6/3/2011

API NUMBER
05 123 29045 00

Permit Number: _____ Expiration Date: 6/2/2013

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 hour notice of MIRU to Bo Brown at Bo Brown at 970-397-4124 or e-mail at bo.brown@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.

Attachment Check List

Att Doc Num	Name
2112795	SURFACE CASING CHECK
400134733	FORM 2 SUBMITTED
400151836	WELL LOCATION PLAT
400156065	LEGAL/LEASE DESCRIPTION

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Zone type and commingle status not indicated, bmp not included in tab Back to draft	4/22/2011 9:39:04 AM
Permit	Back to draft for Formation Code correction, Location ID, and BMP's to be added into tab. sf	4/20/2011 2:12:44 PM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	All casing will be cemented to surface.

Total: 1 comment(s)