

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 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
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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:

1635046

Plugging Bond Surety

20090053

3. Name of Operator: RUNNING FOXES PETROLEUM INC      4. COGCC Operator Number: 10221

5. Address: 7060 SOUTH TUCSON WAY - STE B  
 City: CENTENNIAL      State: CO      Zip: 80112

6. Contact Name: KENT KEPPEL      Phone: (720)889-1510      Fax: (303)617-7442  
 Email: KKEPPEL@ATOKA.COM

7. Well Name: CHICHI STATE      Well Number: 14-16

8. Unit Name (if appl): \_\_\_\_\_      Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 5200

**WELL LOCATION INFORMATION**

10. QtrQtr: SESW      Sec: 16      Twp: 5S      Rng: 55W      Meridian: 6  
 Latitude: 39.611030      Longitude: -103.549140

FNL/FSL      FEL/FWL

Footage at Surface: 660 feet      FSL 1980 feet      FWL \_\_\_\_\_

11. Field Name: WILDCAT      Field Number: 99999

12. Ground Elevation: 5138      13. County: WASHINGTON

14. GPS Data:  
 Date of Measurement: 03/23/2011      PDOP Reading: 1.9      Instrument Operator's Name: ROBERT J RUBINO

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: 1980 ft

18. Distance to nearest property line: 660 ft      19. Distance to nearest well permitted/completed in the same formation: 4660 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.)
D & J SAND	DJSND			
NIO-FT HAYS-CODELL	NBFHC			
SUSSEX-SHANNON	SX-SN			

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: 9460.7  
22. Surface Ownership:  Fee  State  Federal  Indian  
23. Is the Surface Owner also the Mineral Owner?  Yes  No Surface Surety ID#: 20070088  
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 Bond  \$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):  
SECTION 16, T5S-R55W  
25. Distance to Nearest Mineral Lease Line: 660 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: EVAP & BURY  
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+3/4	7	17	0	350	250	350	0
1ST	6+3/4	4+1/2	10.5	0	5,200	200	5,200	3,400

32. BOP Equipment Type:  Annular Preventer  Double Ram  Rotating Head  None  
33. Comments #19: NELSON #1 DA IN 1981 / 4660' NW IN SEC 17, T5S-R55W. NO CONDUCTOR CASING WILL BE USED

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: KENT  
Title: KEPPEL Date: 4/8/2011 Email: KKEPPEL@ATOKA.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: 7/26/2011

**API NUMBER**  
05 121 11011 00

Permit Number: \_\_\_\_\_ Expiration Date: 7/25/2013

**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 hr notice of spud to Colby Horton at 970-467-2517 or e-mail at colby.horton@state.co.us. 2) If completed, provide cmt coverage from TD to a minimum of 200' above D Sand. Niobrara is an objective formation. Increase cement to 200' above Niobrara if potentially productive. Provide cement coverage from 200' below Shannon to 200' above the Sussex if productive. 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.

**Attachment Check List**

Att Doc Num	Name
1635046	FORM 2 SUBMITTED
1635047	WELL LOCATION PLAT
1635048	TOPO MAP
1635049	MINERAL LEASE MAP
1635050	30 DAY NOTICE LETTER
1771220	SURFACE CASING CHECK

Total Attach: 6 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Running Foxes attended to the issues. COGCC has made the determination that the permits can procede.	7/25/2011 2:12:40 PM
Permit	ON HOLD - Running Foxes needs to be in full compliance with all issues as discussed on 5/11/11 meeting with COGCC.	6/2/2011 2:22:49 PM
Permit	SLB verified compliance	4/20/2011 4:50:37 PM
Permit	Surf bond added by instruction of Mr Keppel. sf	4/19/2011 9:17:18 AM

Total: 4 comment(s)

**BMP**

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

Total: 0 comment(s)