

<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:

1634131

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)889-0510 Fax: (303)617-7442  
 Email: KKEPPEL@ATOKA.COM

7. Well Name: COVINGTON Well Number: 8-5

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

9. Proposed Total Measured Depth: 5200

**WELL LOCATION INFORMATION**

10. QtrQtr: SENE Sec: 5 Twp: 6S Rng: 55W Meridian: 6  
 Latitude: 39.560660 Longitude: -103.569300

Footage at Surface: 1980 feet FNL 660 feet FEL  
FNL/FSL FEL/FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 5359 13. County: LINCOLN

14. GPS Data:  
 Date of Measurement: 03/05/2011 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: 1924 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation: 6335 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			
NIOBRARA-FT HAYS-CODELL	NBFHC			
SUSSEX-SHANNON	SX-SN			

**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 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):  
E2, E2W2, NWNW OF SECTION 5, T6S-R55W (PLUS ADDITIONAL ACREAGE)  
25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 2997

**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: EVAPORATE & 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 ABOVE: MARY PAULSON #1 DA IN1956 (NWNW SEC. 32 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 KEPPEL  
Title: LANDMAN Date: 3/10/2011 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: 8/2/2011

**API NUMBER**  
05 073 06457 00  
Permit Number: \_\_\_\_\_ Expiration Date: 8/1/2013  
**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 Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.
- 2) If well is a dry hole set plugs at the following depths: 40 sks cement across any DST w/ show, 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

**Attachment Check List**

Att Doc Num	Name
1634131	APD ORIGINAL
1634132	WELL LOCATION PLAT
1634133	TOPO MAP
1634134	MINERAL LEASE MAP
2111372	SURFACE CASING CHECK

Total Attach: 5 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Received confirmation on Line # 17 that the 660' be changed to 1924' to CR 0. BY	8/1/2011 11:22:26 AM
Permit	COGGO's engineering and production personnel have received information concerning the compliance issues stated during the 5/11/11 meeting and feel that Running Foxes has and continues to make progress in bringing the issues into compliance. Therefore this APD has been reviewed, taken off the ON HOLD status and approved for final approval. BY	8/1/2011 11:15:01 AM
Permit	Requested review of line # 17 answer of 660', am unable to identify any feature at that footage. BY	7/27/2011 8:03:13 AM
Permit	Running Foxes needs to be in full compliance with all issues as discussed on 5/11/11 meeting with COGCC. BY	5/23/2011 2:28:20 PM
Permit	Operator working request COGCC hold for additional information. JLV	3/31/2011 11:47:02 AM
Permit	Plugging bond is correct.	3/17/2011 11:04:28 AM
Data Entry	PLUGGING BOND SURETY ID NUMBER IS VERY DIFFICULT TO READ. CHECK FOR ACCURACY.	3/16/2011 11:08:33 AM

Total: 7 comment(s)

**BMP**

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

Total: 0 comment(s)