

APPLICATION FOR PERMIT TO:

1. **Drill,** Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL
 OIL GAS COALBED OTHER _____
 SINGLE ZONE MULTIPLE COMMINGLE
 Refiling
 Sidetrack
 Document Number: 400192088
 Plugging Bond Surety: 20000063

3. Name of Operator: MULL DRILLING COMPANY INC 4. COGCC Operator Number: 61250
 5. Address: 1700 N WATERFRONT PKWY B#1200
 City: WICHITA State: KS Zip: 67206-6637
 6. Contact Name: MARK SHREVE Phone: (316)264-6366 Fax: (316)264-6440
 Email: MSHREVE@MULLDRILLING.COM
 7. Well Name: STATE-SCHEIMER Well Number: 1-16
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 5600

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 16 Twp: 16S Rng: 46W Meridian: 6
 Latitude: 38.667250 Longitude: -102.574880
 Footage at Surface: 1457 feet FNL/FSL 2494 feet FEL/FWL
 11. Field Name: WILDCAT Field Number: 99999
 12. Ground Elevation: 4190 13. County: CHEYENNE

14. GPS Data:
 Date of Measurement: 08/03/2011 PDOP Reading: 2.8 Instrument Operator's Name: KEITH WESTFALL

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: 7814 ft
 18. Distance to nearest property line: 1457 ft 19. Distance to nearest well permitted/completed in the same formation: 5280 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.)
MARMATON	MRTN			
MISSISSIPPIAN	MSSP			
SHAWNEE	SHWNE			

21. Mineral Ownership: Fee State Federal Indian Lease #: 8572.5
 22. Surface Ownership: Fee State Federal Indian
 23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20010165
 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):

ALL OF 16-T16S-R46W.

25. Distance to Nearest Mineral Lease Line: 1457 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: DRY AND 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	12+1/4	8+5/8	24	0	500	400	400	0
1ST	7+7/8	5+1/2	15.5	0	5,600	250	5,600	3,700
			Stage Tool	0	2,750	450	2,750	0

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

33. Comments NO CONDUCTOR CASING WILL BE SET, INTERMEDIATE CASING WILL ONLY BE RUN IF NECESSARY DUE TO LOST CIRCULATION.

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: MARK SHREVE

Title: PRESIDENT/COO Date: _____ Email: MSHREVE@MULLDRILLING.

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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400192487	WELL LOCATION PLAT
400192488	TOPO MAP
400192529	30 DAY NOTICE LETTER

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Material Handling and Spill Prevention	DURING DRILLING/COMPLETION OPERATIONS, STORAGE AREAS GRADED TOWARDS PIT. DURING PRODUCTION OPERATIONS, IMPLEMENTATION OF SPILL PREVENTION, CONTROL AND COUNTERMEASURE PLAN & DAILY INSPECTION. ALL STOCK AND PRODUCED WATER TANKS HAVE SECONDARY CONTAINMENT.
Wildlife	DEVELOPMENT AND IMPLEMENTATION OF A WILDLIFE MANAGEMENT PLAN IF PROTECTED SPECIES ARE PRESENT.
Drilling/Completion Operations	IMPLEMENT STORM WATER POLLUTION PREVENTION PLAN, INCLUDING ROUTINE INSPECTIONS AND EVALUATION OF EFFECTIVENESS. LOCATION TANK BATTERIES AT SAFE DISTANCE FROM PUBLIC ROADWAYS AND RAILHEAD. FULL CONTAINMENT FOR STOCK TANKS AND SEPARATORS. INSTALLATION OF PIPELINES IN COMMON TRENCHES WHEN PRACTICAL. INSTALLATION OF PIPELINES AT RIGHT ANGLES TO WATER BODIES (DRAINAGES, WETLANDS, PERENNEIAL WATER BODIES) WHERE PRACTICAL.
Planning	CONDUCT INITIAL SITE ASSESSMENT: IDENTIFICATION OF NEARBY WATER BODIES. IDENTIFICATION OF VEGETATION TYPES. IDENTIFICATION OF PROTECTED WILDLIFE SPECIES. IDENTIFICATION OF POTENTIAL ACCESS ROUTES TO MINIMIZE DISTURBUANCES. IDENTIFICATION OF NEARBY IMPROVEMENTS.
Storm Water/Erosion Control	DURING DRILLING/COMPLETION OPERATIONS, IMPLEMENTATION OF STORM WATER POLLUTION PREVENTION PLAN. FOLLOWING DRILLING/COMPLETION OPERATIONS, PROMPT RECLAMATION OF DISTURBED AREAS. DURING PRODUCTION OPERATIONS, IMPLEMENTATION OF MDC'S POST CONSTRUCTION STORM WATER MANAGEMENT PROGRAM.
Pre-Construction	PREPARATION OF A STORM WATER POLLUTION PREVENTION PLAN. ACQUISITION OF A STORM WATER DISCHARGE PERMIT. FINALIZE ACCESS ROUTES. FINALIZE WELL PAD LOCATION TO MINIMIZE SURFACE GRADE IMPACTS. FINALIZE WELL PAD LAYOUT TO MINIMIZE DISTURBANCES. DEVELOP WILDLIFE MANAGEMENT PLAN IF PROTECTED SPECIES ARE PRESENT.
Construction	ACCESS ROAD, WELL PAD AND PIT DISTURBANCES MINIMIZED. SOILS SEGREGATED BY TYPE TO FACILITATE RECLAMATION. STORM WATER CONTROLS DEPLOYED AND ROUTINELY INSPECTED.
Interim Reclamation	DEBRIS AND WASTE MATERIAL REMOVED. AREAS NOT IS USE RECLAIMED PROMPTLY, PITS CLOSED USING SEGREGATED MATERIAL, WELL PAD AND OTHER COMPACTED SURFACES RIPPED. NOXIOUS WELLDS CONTROLLED.
Final Reclamation	ALL EQUIPMENT AND DEBRIS REMOVED. ALL REMAINING DISTURBED AREAS, INCLUDING ACCESS ROADS, RECLAIMED. NOXIOUS WEED CONTROL PLAN DEVELOPED IF APPROPRIATE.
General Housekeeping	DRILLING AND PRODUCTION OPERATIONS CONDUCTED IN SAFE, WORKMANLIFE MANNER. SAFETY EXPECTATIONS INCLUDE GOOD HOUSEKEEPING. DURING DRILLING/COMPLETION OPEATIONS, DEBRIS STORED IN CAGED CONTAINER WHICH IS REMOVED FROM THE SITE. DURING PRODUCTION OPERATIONS, THE LEASE IS INSPECTED DAILY BY MDC PERSONNEL.

Total: 10 comment(s)