



DE	ET	OE	ES
----	----	----	----

Document Number:
400202334

PluggingBond SuretyID

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL
 OIL GAS COALBED OTHER Lateral
 SINGLE ZONE MULTIPLE COMMINGLE

Refiling
 Sidetrack

3. Name of Operator: LARAMIE ENERGY II, LLC 4. COGCC Operator Number: 10232
 5. Address: 1512 LARIMER ST STE 1000
 City: DENVER State: CO Zip: 80202
 6. Contact Name: Wayne P Bankert Phone: (970)683-5419 Fax: (303)339-4399
 Email: wbankert@laramie-energy.com
 7. Well Name: Fletcher Gulch Fed. Well Number: 4-24-2H
 8. Unit Name (if appl): FLETCHER GULCH Unit Number: COC068958
 X
 9. Proposed Total Measured Depth: 11116

WELL LOCATION INFORMATION

10. QtrQtr: Lot 12 Sec: 4 Twp: 1N Rng: 100W Meridian: 6
 Latitude: 40.086750 Longitude: -108.615730
 Footage at Surface: 1936 feet FNL/FSL FNL 827 feet FEL/FWL FEL
 11. Field Name: Fletcher Gulch Field Number: 24062
 12. Ground Elevation: 6506 13. County: RIO BLANCO

14. GPS Data:
 Date of Measurement: 07/20/2011 PDOP Reading: 2.8 Instrument Operator's Name: George Allen

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 2347 FNL 1113 FEL 364 Bottom Hole: FNL/FSL 1881 FEL/FWL 1881
 Sec: 4 Twp: 1N Rng: 100 Sec: 9 Twp: 1N Rng: 100
W W

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: 2781 ft
 18. Distance to nearest property line: 1 mi 19. Distance to nearest well permitted/completed in the same formation(BHL): 1200 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.)
Mancos	MNCS			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC 063322
 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):

See Mineral Lease Exhibit

25. Distance to Nearest Mineral Lease Line: 1113 ft 26. Total Acres in Lease: 2241

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
CONDUCTOR	26+0/0	16+0/0	42.0	0	40	78	40	0
SURF	12+1/4	9+5/8	32.3	0	1,000	360	1,000	0
1ST	8+3/4	7+0/0	23.0	0	4,081	390	4,081	800
2ND	6+1/4	4+1/2	13.5	0	11,116	500	11,116	3,781

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

33. Comments There are no improvements within 200' of the wellhead. A closed drilling system utilizing a cuttings trench will be utilized. THIS IS A HORIZONTAL LATERAL OFF OF PILOT HOLE WELL NO. FLETCHER GULCH FED. 4-24-2. COGCCDOCUMENT NO. 400195809.

34. Location ID: 425485

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: Wayne P. Bankert

Title: Snr. Reg & Env. Coord. Date: 9/2/2011 Email: wbankert@laramie-energy.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: 9/28/2011

API NUMBER
05 103 11888 01

Permit Number: _____ Expiration Date: 9/27/2013

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.
- (2) THE SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 -MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 00 FEET DEEP.
- (3) THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.
- (4) NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT.
- (5) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE TO A MINIMUM OF 200' ABOVE SHALLOWEST-KNOWN PRODUCING HORIZON. VERIFY CEMENT WITH A CEMENT BOND LOG.
 •IF THE PRODUCTION LINER IS CEMENTED, VERIFY CEMENT WITH A CBL.

Attachment Check List

Att Doc Num	Name
400202334	FORM 2 SUBMITTED
400202350	DEVIATED DRILLING PLAN
400202351	WELL LOCATION PLAT
400202352	LEASE MAP
400202353	FED. DRILLING PERMIT
400202355	WELLBORE DIAGRAM
400202356	FED. SUNDRY NOTICE

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	ADDED FED. UNIT NAME &#,REMOVED PLUGGING BOND. ADDED RELATED FORM 2A.	9/13/2011 1:12:58 PM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)