

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

Document Number:

400210265

PluggingBond SuretyID

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 ☐

3. Name of Operator: DAN A HUGHES COMPANY LP

4. COGCC Operator Number: 10346

5. Address: PO DRAWER 669

City: BEEVILLE State: TX Zip: 78104

6. Contact Name: Robert Holder Phone: (361)358-3752 Fax: (361)362-2839

Email: rholder@dahughes.net

7. Well Name: DAHC-San Francisco Creek #1 Well Number: 1

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

9. Proposed Total Measured Depth: 6600

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 24 Twp: 39N Rng: 5E Meridian: N

Latitude: 37.607890 Longitude: -106.377440

Footage at Surface: 1756 feet FNL/FSL 2546 feet FEL/FWL FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 8552 13. County: RIO GRANDE

14. GPS Data:

Date of Measurement: 05/05/2010 PDOP Reading: 2.3 Instrument Operator's Name: Clayton Rosenlund

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: 446 ft

18. Distance to nearest property line: 448 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3276 ft

20. 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.)
Dakota Silt	DKTA			
Morrison	MR-SN			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC69530

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):

T39N, R5E; Sec 13 SWSE, SESW; Sec 24 W2E2, E2W2; Sec 25 E2NW, NESW

25. Distance to Nearest Mineral Lease Line: 1280 ft 26. Total Acres in Lease: 520

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	20	16		0	80			
SURF	12+1/4	9+5/8	36#	0	1,100	456	1,100	0
1ST	7+7/8	5+1/2	17#	0	6,600	890	6,600	0

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

33. Comments THIS IS A SPLIT ESTATE LOCATION. THE BLM HAS LEASED THE MINERAL ESTATE TO THE DAN A. HUGHES COMPANY, WHO OWNS THE SURFACE ESTATE AND IS ALSO THE OPERATOR. OPERATOR WILL BE USING A CLOSED LOOP SYSTEM ON THIS WELL. CUTTINGS WILL BE DISPOSED OF PROPERLY.

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: TERRI HARTLE

Title: REGUALTORY ANALYST Date: 10/7/2011 Email: terri.hartle@westernls.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: _____ 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
400210265	FORM 2 SUBMITTED
400212548	SURFACE PLAN
400212550	OTHER
400212551	TOPO MAP
400212553	WELL LOCATION PLAT
400212554	CONST. LAYOUT DRAWINGS
400212555	LOCATION DRAWING
400212931	MINERAL LEASE MAP
400214874	DRILLING PLAN

Total Attach: 9 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>
Drilling/Completion Operations	AN APD, INCLUDING A SURFACE USE PLAN OF OPERATIONS, WHICH INCORPORATES BLM BMP'S, WILL BE SUBMITTED TO THE BLM AND THE COGCC. THIS SURFACE USE PLAN IS INCLUDED UNDER ATTACHMENTS LISTED AS SURFACE PLAN.

Total: 1 comment(s)