

**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:  
400215575

PluggingBond SuretyID  
20070074

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: Jensen      Well Number: 18-16D

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

9. Proposed Total Measured Depth: 7446

**WELL LOCATION INFORMATION**

10. QtrQtr: NENE      Sec: 19      Twp: 9S      Rng: 93W      Meridian: 6  
Latitude: 39.267800      Longitude: -107.803820

Footage at Surface:      669      feet      FNL      434      feet      FEL

11. Field Name: Wildcat      Field Number: 99999

12. Ground Elevation: 7078      13. County: MESA

14. GPS Data:  
Date of Measurement: 08/10/2011      PDOP Reading: 2.5      Instrument Operator's Name: Dave Murrey

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

165      FSL      638      FEL      165      FSL      638      FEL

Sec: 18      Twp: 9S      Rng: 93W      Sec: 18      Twp: 9S      Rng: 93W

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: 380 ft

18. Distance to nearest property line: 380 ft      19. Distance to nearest well permitted/completed in the same formation(BHL): 1392 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.)
ILES	ILES	429-11	320	E/2
WILLIAMS FORK	WMFK	429-11	320	E/2

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):

9S 93W 6th PM Mesa County, CO; Sec. 17: E2SW, SWSW, except that portion of the S2SW lying South of County Road No. 330E (7.90 acres more or less); Sec. 18: SESE

25. Distance to Nearest Mineral Lease Line: 165 ft 26. Total Acres in Lease: 152

### 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	14+3/4	8+5/8	32.0	0	1,500	350	1,500	0
1ST	7+7/8	4+1/2	11.6	0	7,446	650	7,446	5,218

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

33. Comments Drilling will incorporate closed mud drilling system utilizing a cuttings pit. No visible improvements within 200' of well head.

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: Wayne P. Bankert

Title: Snr. Reg & Env. Coord Date: 10/17/2011 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: 11/13/2011

#### API NUMBER

05 077 10189 00

Permit Number: \_\_\_\_\_ Expiration Date: 11/12/2013

#### 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) COMPLIANCE WITH THE NOTICE TO OPERATORS DRILLING WELLS IN THE BUZZARD, MAMM CREEK, AND RULISON FIELDS, GARFIELD COUNTY AND MESA COUNTY IS REQUIRED. SEE ATTACHED NOTICE.
- (3) RESERVE PIT MUST BE LINED.
- (4) OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT WELL-SITE DURING DRILLING AND COMPLETION OPERATIONS. IF FLUIDS ARE CONVEYED VIA PIPELINE, OPERATOR MUST IMPLEMENT BEST-MANAGEMENT-PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS.
- (5) 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.
- (6) 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.
- (7) 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 185 FEET DEEP.

**Attachment Check List**

Att Doc Num	Name
400215575	FORM 2 SUBMITTED
400215579	WELL LOCATION PLAT
400215580	SURFACE AGRMT/SURETY
400215581	DEVIATED DRILLING PLAN

Total Attach: 4 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	LGD/pub. comm. waived. Final Comprehensive Review Status--passed.	11/8/2011 7:26:14 AM
Permit	checked commingle. corr. SHL to agree w/ plat. per oper.'s email 10/26/11 corrected spacing order to 429-11, E/2, 320 acre unit. ready to approve in permitting when 2A passes.	10/26/2011 1:29:07 PM

Total: 2 comment(s)

**BMP**

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

Total: 0 comment(s)