

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

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:

400229394

PluggingBond SuretyID

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: TSA UNIT Well Number: 1-14

8. Unit Name (if appl): N/A Unit Number: N/A

9. Proposed Total Measured Depth: 5000

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 14 Twp: 17S Rng: 45W Meridian: 6

Latitude: 38.578810 Longitude: -102.434660

Footage at Surface: 2150 feet FNL 171 feet FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4129 13. County: KIOWA

14. GPS Data:

Date of Measurement: 11/30/2011 PDOP Reading: 3.1 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: 159 ft

18. Distance to nearest property line: 171 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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.)
MARMATON	MRTN			
MISSISSIPPIAN	MSSP			
MORROW	MRRW			

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):

W/2 14, E/2 and NW/4 15, All 23 and NW/4 27-T17S-R45W, 6th P.M.

25. Distance to Nearest Mineral Lease Line: 2150 ft

26. Total Acres in Lease: 1600

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	300	200	300	0
1ST	7+7/8	5+1/2	15.5	0	5,000	250	5,000	3,500
			Stage Tool	0	2,300	300	2,300	0

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

33. Comments NO CONDUCTOR OR INTERMEDIATE CASING WILL BE SET.

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: 12/6/2011

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: David S. Neslin

Director of COGCC

Date: 1/15/2012

API NUMBER

05 061 06869 00

Permit Number: _____ Expiration Date: 1/14/2014

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) Provide 24 hour notice of MIRU to Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.
- 2) Cement production casing to at least 200' above the shallowest productive interval and 50' below to 50' above Cheyenne/Dakota (1770' - 1200'). Verify w/ CBL.
- 3) If well is a dry hole set the following plugs: 40 sks cement +/- 50' above the Marmaton, 40 sks cement across any DST w/ show, 40 sks cement 50' below base of Cheyenne (1770' up), 40 sks cement 50' above top of Dakota (1200' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Due to the potential presence of hydrogen sulfide in the oil and gas fields surrounding the proposed location, the operator is reminded to monitor H2S in accordance to Rule 607.

Attachment Check List

Att Doc Num	Name
2330039	SURFACE CASING CHECK
400229394	APD APPROVED
400229521	WELL LOCATION PLAT
400229522	TOPO MAP
400229523	30 DAY NOTICE LETTER
400229525	30 DAY NOTICE LETTER
400241081	FORM 2 SUBMITTED

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review passed 1/10/2012 NKP	1/10/2012 2:10:04 PM
Permit	On hold awaiting COGCC staff discussion of H2S issues. 12/30/2011 NKP	12/30/2011 10:28:45 AM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Pre-Construction	PREPARATION OF A STORM WATER POLLUTION PREVENTION PLAN. ACQUISITION OF A STORM WATER DISCHARGE PERMIT. CONSULTATION WITH THE SURFACE LANDOWNER OR APPOINTED AGENT. 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.
General Housekeeping	DRILLING AND PRODUCTION OPERATIONS CONDUCTED IN SAFE, WORKMANLIKE MANNER. SAFETY EXPECTATIONS INCLUDE GOOD HOUSEKEEPING. DURING DRILLING/COMPLETION OPERATIONS, DEBRIS STORED IN CAGED CONTAINER WHICH IS REMOVED FROM THE SITE. DURING PRODUCTION OPERATIONS, THE LEASE IS INSPECTED DAILY BY MDC PERSONNEL.
Drilling/Completion Operations	INCLUDES STRUCTURAL PRACTICES. IMPLEMENT STORM WATER POLLUTION PREVENTION PLAN, INCLUDING ROUTINE INSPECTIONS AND EVALUATION OF EFFECTIVENESS. LOCATE 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, PERENNIAL WATER BODIES) WHERE PRACTICAL.

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.
Construction	ACCESS ROAD, WELL PAD AND PIT DISTURBANCES MINIMIZED. SOILS SEGREGATED BY TYPE TO FACILITATE RECLAMATION. STORM WATER CONTROLS DEPLOYED AND ROUTINELY INSPECTED.
Final Reclamation	ALL EQUIPMENT AND DEBRIS REMOVED. ALL REMAINING DISTURBED AREAS, INCLUDING ACCESS ROADS, RECLAIMED. NOXIOUS WEED CONTROL PLAN DEVELOPED, IF APPROPRIATE.
Site Specific	MDC WILL CONSTRUCT A BERM OR DIVERSION DIKE, SITE GRADING OR OTHER COMPARABLE MEASURES, SUFFICIENT TO PROTECT THE EPHEMERAL STREAM LOCATED 628' NORTHEAST OF THE OIL AND GAS LOCATION FROM A RELEASE OF DRILLING, COMPLETION, PRODUCED FLUIDS AND CHEMICAL PRODUCTS.
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 DISTURBANCES IDENTIFICATION OF NEARBY IMPROVEMENTS
Interim Reclamation	DEBRIS AND WASTE MATERIAL REMOVED. AREAS NOT IN USE RECLAIMED PROMPTLY; PITS CLOSED USING SEGREGATED MATERIAL; WELL PAD AND OTHER COMPACTED SURFACES RIPPED. NOXIOUS WEEDS CONTROLLED.
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.

Total: 11 comment(s)