

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:
400230223

PluggingBond SuretyID

3. Name of Operator: FRAM OPERATING LLC 4. COGCC Operator Number: 10310

5. Address: 30 E PIKES PEAK AVE STE 283
City: COLORADO SPRINGS State: CO Zip: 80903

6. Contact Name: David Cook Phone: (719)355-1320 Fax: (719)314-1362
Email: dave@framamericas.com

7. Well Name: Federal Well Number: 12-1A-K

8. Unit Name (if appl): Whitewater Unit Number: 73038X

9. Proposed Total Measured Depth: 5815

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 12 Twp: 12S Rng: 98W Meridian: 6
Latitude: 39.024240 Longitude: -108.303640

Footage at Surface: 1929 feet FNL/FSL FNL 542 feet FEL/FWL FWL

11. Field Name: WHITEWATER Field Number: 92840

12. Ground Elevation: 5867 13. County: MESA

14. GPS Data:
Date of Measurement: 07/16/2001 PDOP Reading: 6.0 Instrument Operator's Name: Jeff Fletcher

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

2215 FNL 539 FWL 1013 FSL 523 FWL

Sec: 12 Twp: 12S Rng: 98W Sec: 12 Twp: 12S Rng: 98W

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: 1 mi

18. Distance to nearest property line: 1998 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1300 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.)
Dakota	DKTA			

21. Mineral Ownership: Fee State Federal Indian Lease #: 61718

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):

T12S, R98W, 6th PM, Mesa County, Colorado - Sec 1: Lots 5-20, Sec 2: Lots 5-8, Sec 11: Lots 5-8, Sec. 12: Lots 1-16, Sec. 13: Lots 9-16, Sec. 14: Lots 5 & 6

25. Distance to Nearest Mineral Lease Line: 1013 ft

26. Total Acres in Lease: 2230

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: Closed Loop System will be

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	40	30	40	0
SURF	12+1/4	9+5/8	36#	0	500	110	500	0
1ST	7+7/8	5+1/2	15.5#	0	5,815	400	5,815	1,500

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

33. Comments 1) The pad is built. 2) The pit has been constructed. 3) There will be no additional surface disturbance. 4) The well does not require a variance from any of the rules listed in Rule 306.d.(1)A.(ii). 5. The location is NOT in a Wildlife Restricted Surface Occupancy Area

34. Location ID: 334479

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: David Cook

Title: Manager Date: 12/16/2011 Email: dave@framamericas.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: 1/15/2012

API NUMBER

05 077 09329 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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) 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.

(3) 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.

(4) 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.

Attachment Check List

Att Doc Num	Name
400230223	APD APPROVED
400241066	FORM 2 SUBMITTED

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	changed dist. to nearest well to 1300' and deleted spacing order for DKTA per oper.'s emailed instructions. LGD/public comments waived. Final Comprehensive Review Status--passed.	1/12/2012 10:41:54 AM
Permit	Operator corrected the plugging bond number and entered that the well is not a sidetrack. This form has passed completeness.	12/21/2011 10:20:45 AM
Permit	Returned to draft. Invalid plugging bond. Sidetrack?	12/19/2011 6:59:04 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)