

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400270028

Date Received:

04/09/2012

PluggingBond SuretyID

20070074

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: 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)812-5310 Fax: (303)339-4399

Email: wbankert@laramie-energy.com

7. Well Name: BEAVER CREEK RANCH, LP

Well Number: 18-02B

8. Unit Name (if appl):

Unit Number:

9. Proposed Total Measured Depth: 10118

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 18 Twp: 7S Rng: 93W Meridian: 6

Latitude: 39.447349

Longitude: -107.819781

Footage at Surface: 345 feet FNL/FSL 1837 feet FEL/FWL

11. Field Name: Rulison

Field Number: 75400

12. Ground Elevation: 7796

13. County: GARFIELD

14. GPS Data:

Date of Measurement: 04/22/2009 PDOP Reading: 1.5 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 FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
457 FNL 2125 FEL 457 FNL 2125 FEL
Sec: 18 Twp: 7S Rng: 93W Sec: 18 Twp: 7S 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: 2890 ft

18. Distance to nearest property line: 1193 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 328 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.)
Williams Fork	WMFK	139-108	200	LOT1, NENW, W2NE, NENE

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):

SEC 8 S2SW; SEC 18: L1, NENW, N2NE, SWNE, SEC. 18, TWN. 7S, RNG. 93W

25. Distance to Nearest Mineral Lease Line: 457 ft

26. Total Acres in Lease: 280

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	900	1,500	0
1ST	7+7/8	4+1/2	11.6	0	10,118	1,100	10,118	7,410

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

33. Comments DRILLING WILL INNCORPORATE A CLOSED MUD SYSTEM WITH CUTTINGS TRENCH. NO VISIBLE IMPROVEMENTS WITHIN 200' OF WELLHEAD.

34. Location ID: 414293

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: 4/9/2012

Email: wbankert@laramie-energy.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 5/3/2012

API NUMBER

05 045 19086 00

Permit Number: _____

Expiration Date: 5/2/2014

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) GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

3) NEW MAMM CREEK FIELD NOTICE TO OPERATORS APPLIES TO THIS WELL. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

4) COMPLIANCE WITH THE NOTICE TO OPERATORS DRILLING WELLS IN THE BUZZARD, MAMM CREEK, AND RULISON FIELDS, GARFIELD COUNTY AND MESA COUNTY – PROCEDURES AND SUBMITTAL REQUIREMENTS FOR COMPLIANCE WITH COGCC ORDER NOS. 1-107, 139-56, 191-22, AND 369-2 (JULY 8, 2010) -- IS REQUIRED. SEE ATTACHED NOTICE.

5) CEMENT ON PRODUCTION CASING MUST BE A MINIMUM OF 200' ABOVE THE TOP OF THE MESA VERDE FORMATION (OR 200' ABOVE THE OHIO CREEK FORMATION IF PRESENT). CEMENT TOP VERIFY BY CBL IS REQUIRED. THIS REQUIREMENT SHALL SUPERSEDE THE TOP OF CEMENT REQUIREMENTS IN THE NEW MAMM CREEK FIELD NOTICE TO OPERATORS.

6) THE PROPOSED 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 12 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400270028	FORM 2 SUBMITTED
400270038	SURFACE AGRMT/SURETY

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD passed; pub. comments waived. Final Review--passed.	5/2/2012 1:41:11 PM
Permit	Pad not built. If location not built by 2A expiration 10/28/2012, operator confirmed refile form 2A will be approved prior to construction.	4/25/2012 3:36:05 PM
Permit	checked single zone, added Rulison field, corrected spacing order, added unit acreage & config. per oper.'s email.	4/25/2012 11:33:06 AM
LGD	Passed	4/19/2012 4:11:48 PM
Permit	Operator corrected SHL and #36. This form has passed completeness.	4/10/2012 11:56:22 AM
Permit	Returned to draft. Invalid SHL and #36 is missing.	4/10/2012 8:34:46 AM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)