

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:

400294524

Date Received:

06/11/2012

PluggingBond SuretyID

20060105

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER ☐ AND GAS ☐
SINGLE ZONE ☐ MULTIPLE ☒ COMMINGLE ☒

Refiling ☐

Sidetrack ☐

3. Name of Operator: APOLLO OPERATING LLC

4. COGCC Operator Number: 10051

5. Address: 1538 WAZEE ST STE 200

City: DENVER State: CO Zip: 80202

6. Contact Name: TANYA CARPIO Phone: (303)830-0888 Fax: (303)830-2818

Email: TCARPIO@APOLLOOPERATING.COM

7. Well Name: JWHS Well Number: 31-2D

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

9. Proposed Total Measured Depth: 7750

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 2 Twp: 3N Rng: 68W Meridian: 6

Latitude: 40.257250 Longitude: -104.972670

Footage at Surface: 1996 feet FNL/FSL 2006 feet FEL/FWL 2006 feet FNL/FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4999 13. County: WELD

14. GPS Data:

Date of Measurement: 05/22/2012 PDOP Reading: 1.8 Instrument Operator's Name: ADAM KELLY

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 699 FNL 2005 FEL 2005 FEL 2005 FEL 2005
Bottom Hole: FNL/FSL 699 FNL 2005 FEL 2005 FEL 2005
Sec: 2 Twp: 3N Rng: 68W Sec: 2 Twp: 3N Rng: 68W

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: 795 ft

18. Distance to nearest property line: 262 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 20 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| NIOBRARA-CODELL | NB-CD | 407-87 | 80 | W/2NE/4 |

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#: 20080044

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/2NE/4, SECTION 2, TOWNSHIP 3 NORTH, RANGE 68 WEST

25. Distance to Nearest Mineral Lease Line: 262 ft

26. Total Acres in Lease: 80

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

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 | 11 | 8+5/8 | 24 | 0 | 880 | 640 | 880 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 7,750 | 545 | 7,750 | 3,150 |

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

33. Comments NO CONDUCTOR WILL BE USED. ADDING TWO WELLS TO EXHISTING STEFFES 22-2 WELL PAD.

34. Location ID: 424020

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: TANYA CARPIO

Title: OFFICE MANAGER Date: 6/11/2012 Email: TCARPIO@APOLLOOPERATI

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 |
|-------------|------------------------|
| 400294524 | FORM 2 SUBMITTED |
| 400294533 | WELL LOCATION PLAT |
| 400294534 | DEVIATED DRILLING PLAN |
| 400294539 | SURFACE AGRMT/SURETY |
| 400294543 | LEASE MAP |
| 400294624 | DIRECTIONAL DATA |

Total Attach: 6 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> |
|-------------|----------------|
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Total: 0 comment(s)