

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:

400304632

Date Received:

07/13/2012

PluggingBond SuretyID

20030098

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: SG INTERESTS I LTD

4. COGCC Operator Number: 77330

5. Address: 1485 FLORIDA RD #C202

City: DURANGO State: CO Zip: 81301

6. Contact Name: Catherine Dickert Phone: (970)385-0696 Fax: (970)385-0636

Email: cdickert@sginterests.com

7. Well Name: Federal 12-89-30 Well Number: #1

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

9. Proposed Total Measured Depth: 7500

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 30 Twp: 12S Rng: 89W Meridian: 6

Latitude: 38.991860 Longitude: -107.373190

Footage at Surface: 267 feet FNL/FSL FNL 1261 feet FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 7363.1 13. County: GUNNISON

14. GPS Data:

Date of Measurement: 11/08/2009 PDOP Reading: 0.2 Instrument Operator's Name: David G. Nicewicz

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

Footage at Top of Prod Zone: FNL/FSL 1473 FNL 1257 FEL 1473 FNL 1257 FEL
Bottom Hole: FNL/FSL 1473 FNL 1257 FEL
Sec: 30 Twp: 12S Rng: 89W Sec: 30 Twp: 12S Rng: 89W

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: 4158 ft

18. Distance to nearest property line: 267 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.)
Mancos	MNCS	N/A		

21. Mineral Ownership: Fee State Federal Indian Lease #: COC64169

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. 30 & 31, T12S, R89W, 6thPM

25. Distance to Nearest Mineral Lease Line: 267 ft 26. Total Acres in Lease: 1273

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	24+0/4	20+0/4		0	80		80	0
SURF	16+0/4	13+3/8	54.5	0	400	318	400	0
1ST	12+1/4	9+5/8	40	0	4,075	912	4,075	0
2ND	8+1/2	5+1/2	17	0	7,775	415	7,775	3,875

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

33. Comments No changes to Well Location Plat, Topo Map, Mineral Lease Map, Oil & Gas Lease, or Deviated Drilling Plan that was previously filed on 4/23/2010. Federal Form 3160-3 has been submitted previously.

34. Location ID: 416817

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: Catherine Dickert

Title: Env & Permitting Mgr Date: 7/13/2012 Email: cdickert@sginterests.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: _____ Director of COGCC Date: _____

API NUMBER

05 051 06096 00

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
400304632	FORM 2 SUBMITTED

Total Attach: 1 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>

Total: 0 comment(s)