

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: BLACK RAVEN ENERGY INC 4. COGCC Operator Number: 10203
 5. Address: 1331 17TH STREET - #350
 City: DENVER State: CO Zip: 80202
 6. Contact Name: Scott Ritger Phone: (303)887-9266 Fax: (303)308-1590
 Email: sritger@ticdenver.com
 7. Well Name: C.H. O'Neill Well Number: 1
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 5640

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 5 Twp: 1N Rng: 57W Meridian: 6
 Latitude: 40.084642 Longitude: -103.789097
 Footage at Surface: 990 feet FNL 990 feet FWL
 11. Field Name: Adena Field Number: 700
 12. Ground Elevation: 4475 13. County: MORGAN

14. GPS Data:

Date of Measurement: 10/12/2011 PDOP Reading: 2.6 Instrument Operator's Name: Theresa McCollom

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: 970 ft
 18. Distance to nearest property line: 4200 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 940 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.)
D sand	DSND	26-1	40	NWNW Section 5

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#: 20110164
 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):

NW/4 of section 5, T1N R57W, 6th Prime Meridian.

25. Distance to Nearest Mineral Lease Line: 990 ft 26. Total Acres in Lease: 160

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: No drilling mud will be used

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	28	0	102	75	102	
1ST	7+7/8	5+1/2	15.5	0	5,636	275	5,636	

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

33. Comments Nearest road (970') is Morgan County Road 19. Nearest property line (4200') is the northern boundary of section 8, T1N R57W. Nearest well in the same formation (940') is the C.H. O'Neill #3 in the NENW of section 5, T1N R57W. Nearest mineral lease lines (990') are the southern boundary of section 32, T2N R57W and the western boundary of section 6, T1N R57W. A Form 2A is not required for this recompletion because no pit will be constructed and there will be no additional surface disturbance beyond the originally disturbed area.

34. Location ID: 313760

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: Scott Ritger

Title: Geologist Date: 8/1/2012 Email: sritger@ticdenver.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: Matthew Lee Director of COGCC Date: 8/27/2012

API NUMBER

05 087 05468 00

Permit Number: _____ Expiration Date: 8/26/2014

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.

Attachment Check List

Att Doc Num	Name
400311032	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	8/23/2012 2:47:18 PM
Permit	Changed operator comment about 2A and input estimated surface hole size per operator.	8/23/2012 2:47:11 PM
Permit	Requested to change comment regarding form 2A and size of surface hole.	8/22/2012 7:50:33 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)