

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:

400337546

Date Received:

10/23/2012

PluggingBond SuretyID

20080134

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: PINE RIDGE OIL & GAS LLC

4. COGCC Operator Number: 10276

5. Address: 600 17TH ST STE 800S

City: DENVER State: CO Zip: 80202

6. Contact Name: PAUL GOTTLÖB Phone: (303)226-1316 Fax: (303)226-1301

Email: paul.gottlob@cometridgeresources.com

7. Well Name: BUSYGULLY Well Number: 13-54-12-3

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

9. Proposed Total Measured Depth: 7600

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 12 Twp: 13S Rng: 54W Meridian: 6

Latitude: 38.933676 Longitude: -103.399755

Footage at Surface: 1072 feet FNL 1359 feet FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4843 13. County: LINCOLN

14. GPS Data:

Date of Measurement: 10/17/2012 PDOP Reading: 1.2 Instrument Operator's Name: ALAN HNIZDO

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: 1033 ft

18. Distance to nearest property line: 1072 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3131 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.)
Cherokee	CHRK			
Marmaton	MRTN			
Morrow	MRRW			

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. 12, T13S, R54W: ALL

25. Distance to Nearest Mineral Lease Line: 1072 ft 26. Total Acres in Lease: 3040

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: Evaporation and burial

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	16	65	0	60	50	60	0
SURF	12+1/4	8+5/8	24	0	430	256	430	0
1ST	7+7/8	5+1/2	17	0	7,600	1,050	7,600	0

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

33. Comments The SUA is in process and the Rule 305e & 306 Surface Owner Consultation - will be submitted as soon as approved.

34. Location ID: _____

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: PAUL GOTTLÖB

Title: Sr. Engineering Tech. Date: 10/23/2012 Email: paul.gottlob@cometridgeresour

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: 11/20/2012

API NUMBER

05 073 06490 00

Permit Number: _____ Expiration Date: 11/19/2014

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) Provide 48 hour notice prior to spud via electronic Form 42.
- 2) If production casing is set provide cement coverage to at least 200' above the shallowest completed interval or Marmaton, whichever is shallower and cement Cheyenne/Dakota interval (3350'-2750' minimum). Run and submit CBL to verify cemented intervals.
- 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the Morrow, 40 sks cement +/- 50' above the Cherokee, 40 sks cement +/- 50' above the Marmaton, 40 sks cement +/- 50' above any DST w/ show, 40 sks cement at 3350' up, 40 sks cement at 2750' up, 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2518038	SURFACE AGRMT/SURETY
2518039	CONSULT NOTICE
400337546	FORM 2 SUBMITTED
400337910	PROPOSED BMPs
400338118	OTHER
400338120	OTHER
400338121	OTHER
400338130	TOPO MAP
400338132	LOCATION PHOTO
400338133	CONST. LAYOUT DRAWINGS
400338138	CONST. LAYOUT DRAWINGS
400338139	PLAT
400338140	TOPO MAP
400338164	LEASE MAP

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	10/31/2012 7:36:39 AM
Permit	Updated permit with SUA and notification waiver.	10/31/2012 7:36:08 AM
LGD	PASSED BY LGD	10/24/2012 3:12:37 PM
Permit	Waiting on the submittal of the form 2A.	10/24/2012 6:09:59 AM
Permit	Operator completed question no. 11, field number, and amended question no. 36 to affirmative answer. This form passed completeness.	10/23/2012 2:38:07 PM
Permit	Return to draft: 1. question no. 11 is incomplete, field number, 2. question no. 36 does not match attachments/plans.	10/23/2012 2:06:40 PM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	See attached

Total: 1 comment(s)