

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:

400337565

Date Received:

10/19/2012

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

PluggingBond SuretyID

20060105

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: R & R FARMS Well Number: 22-31D

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

9. Proposed Total Measured Depth: 7088

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 31 Twp: 5N Rng: 63W Meridian: 6

Latitude: 40.361320 Longitude: -104.481320

Footage at Surface: 681 feet FNL 1979 feet FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4582 13. County: WELD

14. GPS Data:

Date of Measurement: 10/15/2012 PDOP Reading: 1.5 Instrument Operator's Name: BRIAN ROTTINGHAUS

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

Footage at Top of Prod Zone: 1984 FNL 1978 FWL 1984 FNL 1978 FWL
Bottom Hole: 1984 FNL 1978 FWL
Sec: 31 Twp: 5N Rng: 63W Sec: 31 Twp: 5N Rng: 63W

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: 653 ft

18. Distance to nearest property line: 440 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1323 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	E2NW4

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):

LOTS 1 & 2 (W2NW4), E2NW4 OF SEC.31, T5N, R63W

25. Distance to Nearest Mineral Lease Line: 567 ft 26. Total Acres in Lease: 159

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	12+1/4	8+5/8	24	0	600	200	600	0
1ST	7+7/8	4+1/2	11.6	0	7,088	1,200	7,088	6,804

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

33. Comments NO CONDUCTOR WILL BE USED

34. Location ID: 309789

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: 10/19/2012 Email: TCARPIO@APOLLOOPERATI

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: 11/29/2012

API NUMBER

05 123 36327 00

Permit Number: _____ Expiration Date: 11/28/2014

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.

Operator must meet water well testing requirements per Rule 318A.

- 1) Provide notice of MIRU via an electronic Form 42.
- 2) Comply with Rule 317.i and provide cement coverage from the 4.5" casing TD to a minimum of 200' above the Niobrara. Verify coverage with a cement bond log.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2233134	WELL LOCATION PLAT
2233135	DEVIATED DRILLING PLAN
400337565	FORM 2 SUBMITTED
400337577	MINERAL LEASE MAP
400337578	30 DAY NOTICE LETTER
400344877	DIRECTIONAL DATA

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	11/20/2012 7:57:09 AM
Permit	Per operator corrected SHL, TOP, BHL, distance to nearest well, distance to nearest utility, distance to property line, and well depth. Per operator attached new attachments for well move. Requested updated casing information.	11/9/2012 6:44:46 AM
Permit	Updated distance to nearest wellbore per operator.	10/31/2012 12:12:16 PM
Permit	Apollo owns mineral interest under HWY 34. Input location number.	10/24/2012 10:21:10 AM
Permit	Initial review complete.	10/23/2012 9:52:51 AM
Permit	This form passed completeness. Existing location no. 302293 with AL well API #123-28088.	10/22/2012 2:58:48 PM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)