

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:

400382461

Date Received:

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

PluggingBond SuretyID

20120059

3. Name of Operator: PETROLEUM RESOURCE MANAGEMENT CORP.

4. COGCC Operator Number: 10421

5. Address: 1580 LINCOLN ST., STE 635

City: DENVER State: CO Zip: 80203

6. Contact Name: Duncan Shepherd Phone: (303)861-9480 Fax: (303)861-7362

Email: petromgt@comcast.net

7. Well Name: Sheehan 2 Well Number: #4-2

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

9. Proposed Total Measured Depth: 10200

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 2 Twp: 10N Rng: 89W Meridian: 6

Latitude: 40.852625 Longitude: -107.336557

Footage at Surface: 2082 feet FNL 350 feet FEL

11. Field Name: wLDCAT Field Number: 99999

12. Ground Elevation: 8266 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 05/12/2012 PDOP Reading: 3.0 Instrument Operator's Name: Dan Siek

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: 5000 ft

18. Distance to nearest property line: 1046 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5000 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 | | | |

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):

Tract 37, portions of Section 1 and 2, T10N, R89W, 6th PM

25. Distance to Nearest Mineral Lease Line: 1046 ft 26. Total Acres in Lease: 162

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: Dried in pit and buried

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 | 17+1/2 | 13+3/8 | 48 | 0 | 423 | 315 | 423 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 995 | 260 | 995 | 0 |
| 1ST | 8+3/4 | 7+0/0 | 29 | 0 | 5,940 | 497 | 5,940 | 0 |
| 2ND | 6+0/0 | 4+1/2 | 13.5 | 0 | 10,000 | 295 | 5,940 | 0 |

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

33. Comments A SOW 11" x 8-5/8" 3000-psi casing head has been installed. The Surface Use Agreement was submitted with the original Form 2 which was approved by COGCC on September 9, 2012 (API # 05-081-07750-00). A Form 4, Sundry Notice, will be filed separately with the wellbore diagram.

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: Rick Obernolte

Title: Agent-Envir. Consultant Date: _____ Email: rickobe1@aol.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: _____

Permit Number: _____ Expiration Date: _____

| |
|-------------------|
| API NUMBER |
| 05 081 07750 00 |

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.

Data retrieval failed for the subreport 'IntPolicy_NTC' located at: \\Inetpub\NetReports\policy_ntc.rdl. Please check the

Attachment Check List

| Att Doc Num | Name |
|-------------|------|
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Total Attach: 0 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
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Total: 0 comment(s)

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