

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:

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Date Received:

05/17/2013

PluggingBond SuretyID

20120073

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER ☐ LATERAL ☐
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐Refiling ☐Sidetrack ☐

3. Name of Operator: CHAMA OIL & MINERALS LLC

4. COGCC Operator Number: 10431

5. Address: PO BOX 50203

City: MIDLAND State: TX Zip: 79710

6. Contact Name: WILLIAM HEARD Phone: (432)683-8000 Fax: (432)683-8250

Email: BILL.HEARD@CHAMAOIL.COM

7. Well Name: MCBRYDE STATE 16-17-48

Well Number: 1-H

8. Unit Name (if appl):

Unit Number:

9. Proposed Total Measured Depth: 9200

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 16 Twp: 17S Rng: 48W Meridian: 6

Latitude: 38.583570

Longitude: -102.793104

Footage at Surface: 600 feet FNL/FSL FNL 1980 feet FEL/FWL FEL

11. Field Name: WILDCAT

Field Number: 99999

12. Ground Elevation: 4231

13. County: KIOWA

14. GPS Data:

Date of Measurement: 04/25/2013 PDOP Reading: 2.0 Instrument Operator's Name: C VANMATRE

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
1225 FNL 1980 FEL 600 FSL 1980 FEL
Sec: 16 Twp: 17S Rng: 48W Sec: 16 Twp: 17S Rng: 48W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 600 ft

18. Distance to nearest property line: 600 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 10800 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.)
SPERGEN	SPGN			

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 1667.1122. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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):

SECTION 16 (ALL), T-17-S, R-48-W

25. Distance to Nearest Mineral Lease Line: 600 ft

26. Total Acres in Lease: 640

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: PLACE IN CUTTINGS PIT

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	9+5/8	36	0	500	240	500	0
1ST	8+3/4	7	26	0	5,500	500	5,500	2,000

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

33. Comments NO CONDUCTOR TO BE USED. MCBRYDE STATE 16-17-48 #1-P (PILOT) AND #1-H (HORIZONTAL) WILL BE DRILLED FROM THE SAME WELL BORE. 1-P WILL BE A VERTICAL PILOT HOLE DRILLED TO APPROXIMATE TD OF 6300'. WELL WILL BE PLUGGED BACK AND THE 1-H WILL BE DRILLED AS NOTED IN THE PLAN. THE HORIZONTAL OPEN HOLE WILL BE TREATED AND TESTED. CLOSED LOOP MUD SYSTEM WILL BE USED. DE-WATERED CUTTINGS WILL BE PLACED IN CUTTINGS PIT. MUD DISPOSAL WILL BE ON-SITE BY PLACING IN CUTTINGS PIT AT END OF WELL (HORIZONTAL) AND ALLOWING SOLIDS TO SETTLE. FREE WATER WILL BE REMOVED AND SENT TO COMMERCIAL DISPOSAL; SOLIDS WILL BE STABILIZED IN PIT. PIT SAMPLES WILL BE TAKEN TO ENSURE COMPLIANCE WITH 910-1 CRITERIA PRIOR TO PIT CLOSURE. CHAMA REQUESTS THAT ALL DATA PERTAINING TO THIS WELL BE KEPT CONFIDENTIAL.

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: WILLIAM HEARD

Title: PROJECT DRILLING ENGINEER Date: 5/17/2013 Email: BILL.HEARD@CHAMAOIL.

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

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.

Data retrieval failed for the subreport 'IntPolicy_NTO' located at: W:\Inetpub\Net\Report\policy_nto.rdl. Please check th

Attachment Check List

Att Doc Num	Name
400419956	FORM 2 SUBMITTED
400420129	DEVIATED DRILLING PLAN
400420131	DIRECTIONAL DATA
400421089	PLAT

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft for the following: missing well location plat.	5/20/2013 9:58:06 AM

Total: 1 comment(s)

BMP

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

Total: 0 comment(s)