

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:

400408405

Date Received:

04/25/2013

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 LLC4. COGCC Operator Number: 102765. Address: 600 17TH ST STE 800SCity: DENVER State: CO Zip: 802026. Contact Name: Paul Gottlob Phone: (303)226-1316 Fax: (303)226-1301Email: paul.gottlob@cometridgeresources.com7. Well Name: Hully Gully Well Number: 13-54-1-13

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

9. Proposed Total Measured Depth: 6400

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 1 Twp: 13S Rng: 54W Meridian: 6Latitude: 38.938440 Longitude: -103.401860

Footage at Surface: 660 feet FNL/FSL 765 feet FEL/FWL FEL

11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 4847 13. County: LINCOLN

14. GPS Data:

Date of Measurement: 04/16/2013 PDOP Reading: 2.9 Instrument Operator's Name: Elijah Frane15. 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 ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 654 ft18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3920 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-MORROW	CKEMW			
MARMATON	MRTN			
MISSISSIPPIAN-KEYES	MS-KY			

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: 2008013523a. 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):

25. Distance to Nearest Mineral Lease Line: 660 ft

26. Total Acres in Lease: 2560

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 & 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	20+0/0	16+0/0	48	0	80	30	80	0
SURF	12+1/4	9+5/8	36	0	500	200	500	0
1ST	8+3/4	7+0/0	23	0	6,000	550	6,000	400
1ST LINER	6+1/8	4+1/2	11.6	5700	6,700	0		

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

33. Comments Liner will not be cemented in place - plan to use swell packers and liner hanger.

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 Gottlob

Title: Sr. Engineering Tech. Date: 4/25/2013 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: 5/22/2013

API NUMBER

05 073 06537 00

Permit Number: _____ Expiration Date: 5/21/2015

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 MRTN whichever is shallower and stage cement Cheyenne/Dakota (3500'-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 MRTN, 40 sks cement across any DST w/ show, 40 sks cement at 3500' 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.

Attachment Check List

Att Doc Num	Name
400408405	FORM 2 SUBMITTED
400408689	OIL & GAS LEASE
400409469	CONSULT NOTICE
400409484	WELL LOCATION PLAT

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no public comment received.	5/20/2013 5:59:56 AM
Permit	Operator revised permit to be bonding on.	4/26/2013 1:18:13 PM
Permit	On hold - right to construct differs from form 2 and both differ with the first permit in the section.	4/26/2013 12:46:42 PM
LGD	County permit #1341	4/26/2013 9:31:55 AM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	See attachment.

Total: 1 comment(s)