



RECEIVED 2006-0159 AUG - 7 07 Plugging Bond Surety ID# 206600

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

2. TYPE OF WELL OIL GAS COALBED OTHER: SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Refilling Sidetrack

3. Name of Operator PRB Oil & Gas, Inc. 4. COGCC Operator Number: 10203 5. Address: 1875 Lawrence Street, Suite 450 City: Denver State: CO Zip: 80202 6. Contact Name: Jamie Martinez Phone: 303-308-1330 xt 127 Fax: 303-308-1590 7. Well Name: Oltjenbruns Well Number: 943-27-13 8. Unit Name (if appl): Unit Number: 9. Proposed Total Measured Depth: 3000'

10. QtrQtr: NWSW Sec: 27 Twp: 9N Rng: 43W Meridian: 6th Latitude: 40.72507 Longitude: -102.12853 Footage At Surface: 1830 FSL 1075 FWL 11. Field Name: Unnamed Field Number: 85281 25251 12. Ground Elevation: 3652 13. County: Phillips 14. GPS Data: Date of Measurement: 7/25/2007 PDOP Reading: 3.507 Instrument Operator's Name: KEVIN Neal McCormick

Complete the Attachment Checklist

	OP	COGCC
APD Orig & 1 Copy	x	
Form 2A	x	
Well location plat	x	
Topo map	x	
Mineral lease map		
Surface agrmt/Surety		
30 Day notice letter	x	July 6, 2007
Deviated Drilling Plan		
Exception Location Request		
Exception Loc Waivers		
H2S Contingency Plan		
Federal Drilling Permit		

15. If well is: Directional Horizontal (highly deviated), submit deviated drilling plan. Bottomhole Sec Twp Rng: Footage At Top of Prod Zone: At Bottom Hole: 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: 150' + 18. Distance to Nearest Property Line: 839 19. Distance to nearest well permitted/completed in the same formation: 1921

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	NBRR			

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 Qtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer): T9N-R43W, Sec. 27: SW/4 25. Distance to Nearest Mineral Lease Line: 839 26. Total Acres in Lease: 160

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No If 28, 29 or 30 are "Yes" a pit permit may be required. 31. Mud disposal: Offsite Onsite Method: Land Farming Land Spreading Disposal Facility Other: EVAP. & 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.

String	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
Surface	9 7/8"	7"	17#	450'	180 Sx	450'	Surface
Production	6 1/4"	4-1/2"	10.5#	3000'	80 Sx	3000'	1900'

32. BOP Equipment Type: Annular Preventor Double Ram Rotating Head None 33. Comments: The conductor casing will be used per DG 101167 34. Initial Rule 306 Consultation took place on (date) 7/26/2007, was waived, or is not required. Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation. PERMIT SUBMITTED TO COGCC PRIOR TO COMPLIANCE WITH RULE 306 CONSULTATION SHALL BE RETURNED UNAPPROVED. I hereby certify that a complete permit package has been sent to the applicable Local Government Designee(s), and all statements made in this form are, to the best of my knowledge, true, correct, and complete. Signed: [Signature] for MIKE PURFIELD Print Name: David Gremel Title: Land Manager Date: 8-3-07 Email: dgremel@prbenergy.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: [Signature] Director of COGCC Date: 10-5-07 Permit Number: 70074508 Expiration Date: 10-4-08

API NUMBER 05-095-06157-00

CONDITIONS OF APPROVAL, IF ANY:

1) Provide 24 hour notice of MIRU to Kevin Lively at 970-522-6747. 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage (450' minimum). Cement to surface. Setting surface casing less than the approved depth shown above is a permit violation unless prior written approval is obtained from COGCC. 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 4) If dry hole, set 35 sks cement above Niobrara, 35 sks cement 1/2 in 1/2 out of surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

Andrews, David



From: David Gremel [dgremel@prbenergy.com]
Sent: Tuesday, August 14, 2007 4:45 PM
To: Andrews, David
Subject: RE: Phillips County Permits to Drill

Mr. Andrews:

Regarding the permits that were filed for PRB in Phillips County, we are planning to dispose of our drilling mud ONSITE and the method would be EVAPORATION AND BURIAL. Thank you for your assistance in this matter.

David Gremel

From: Andrews, David [mailto:David.Andrews@state.co.us]
Sent: Tuesday, August 14, 2007 3:49 PM
To: David Gremel
Subject: Phillips County Permits to Drill

David,

I am reviewing several permits to drill for PRB Oil & Gas, Inc. in T9N, R43W. The mud disposal location (onsite vs. offsite) and/or method (land farming, land spreading, disposal facility or other) have not been entered on the forms. Please reply with a mud disposal location and mud disposal method for these wells. I will hold these permits in process until I hear back from you.

David D. Andrews, P.E., P.G.
Engineering Supervisor - Northeast Area

State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203
Phone: (303) 894-2100 Ext. 145
Fax: (303) 894-2109
E-mail: David.Andrews@state.co.us
Website: <http://www.oil-gas.state.co.us/>

08/15/2007



SURFACE CASING CHECK

Well Name OLTJENBRUNS 943-27-13

New Drill Refiling Deepen Re-Enter Recomplete and Operate Plug and Abandon Casing Repair

Deepest Water Well w/in 2 Mile(s) 3652-3300 + 50 = 402'

Operator-Proposed Surface Casing Depth 450'

Actual Surface Casing Depth _____

Change Permit Surface Casing Depth from _____ to _____

OK on this well's or offset well's induction log at 450'

D. A.
8/14/2007



COGCC Results



Selected Items Report

Oil and Gas Wells Selected				<i>PR ≤ 2.0 MILES!</i>			
Filter Results by Formation		Include	Filter	<i>NBRR</i>			
WELL DESCRIPTION		LOCATION		WELL INFORMATION			
Facilities Selected							
FACILITY DESCRIPTION		LOCATION		PIT INFORMATION			
				Type	Unlined	Status	
Water Wells Selected From Map							
* Filter Results by Depth		Greater than		0	Filter		
WELL DESCRIPTION		LOCATION		WELL INFORMATION			
				Depth	Top Perf	Bottom Perf	Aquifer
Receipt=9053499, Permit=0012421-FP-REIFENRATH MARK <i>3680'</i>		NWSE 20 9N-43W		340	0	0	TO
Receipt=9053653, Permit=0015332-FP-DIRKS DEREK & MARLENE <i>3630'</i>		SENE 22 9N-43W		312	0	0	TO
Receipt=9053654, Permit=0015333-FP-DIRKS DAVID & JULIE <i>3640'</i>		SENE 22 9N-43W		306	0	0	TO
Receipt=0056697, Permit=0019105-FP-SCHLACHTER STEVEN & JUDITH ANN <i>GS= 3630'</i> <i>TD = 3300'</i>		SESE 22 9N-43W		330	180	322	TO
Receipt=9053915, Permit=0041878--KRUEGER HULDA ESTATE <i>3675'</i>		SWSE 32 9N-43W		318	0	0	GW
Receipt=9053325, Permit=0000379--VIESELMAYER ALLAN		SWSE 33 9N-43W		225	190	225	GW
Receipt=0391423, Permit=0191134--A MURRAY AUDREY		SWNW 34 9N-43W		280	200	280	GW
Receipt=0392552, Permit=0191134--MURRAY AUDREY		SWNW 34 9N-43W		150	0	0	GW

Casing

0300

0400

0500

0600

0700

OPERATOR - PROPOSED
S.C. FOR
OUTJENBRUNS 943-27-13

(ELEV. CORRECTED)



CILD

SFL Avg Amp

RFD

SFL Avg

SP

095-06042 HAROLD A # 1 CNW 21-9N-43W GS=3655'

Well name and number:

Itjenbrums 943-27-13



Survey Plat Check list

number	Item	
	8-1/2" x 11" scaled drawing of the entire section	✓
1	Dimensions on adjacent exterior section lines sufficient to completely describe the quarter section containing the proposed well shall be indicated	✓
1a	If dimensions are not field measured, state how the dimensions were determined	✓
2	The latitude and longitude of the proposed well location shall be provided on the drawing with a minimum of five (5) decimal places of accuracy and precision using the North American Datum (NAD) of 1983 (e.g.; latitude 37.12345 N, longitude 104.45632 W). If GPS technology is utilized to determine the latitude and longitude, all GPS data shall meet the requirements set forth in Rule 215. a. through h.	✓
2a	PDOP value <7 if GPS used	✓
2b	5 decimal places of accuracy & precision	✓
2c	NAD 1983	✓
3	For directional drilling into an adjacent section, that section shall also be shown on the location plat and dimensions on exterior section lines sufficient to completely describe the quarter section containing the proposed productive interval and bottom hole location shall be indicated. (Additional requirements related to directional drilling are found in Rule 321.)	<i>nm</i>
4	For irregular, partial or truncated sections, dimensions will be furnished to completely describe the <u>entire</u> section containing the proposed well.	<i>nm</i>
5	The field-measured distances from the nearer north/south and nearer east/west section lines shall be measured at ninety (90) degrees from said section lines to the well location and referenced on the plat. For unsurveyed land grants and other areas where an official public land survey system does not exist, the well locations shall be spotted as footages on a protracted section plat using Global Positioning System (GPS) technology and reported as latitude and longitude in accordance with Rule 215.	✓
6	A map legend	✓
7	A North Arrow	✓
8	A scale expressed as an equivalent (e.g. 1" = 1000').	✓
9	A bar scale.	✓
10	The ground elevation.	✓
11	The basis of the elevation (how it was calculated or its source).	✓
12	The basis of bearing or interior angles used.	✓
13	Complete description of monuments and/or collateral evidence found; all aliquot corners used shall be described.	✓
14	The legal land description by section, township, range, principal meridian, baseline and county.	✓
15	Operator name	✓
16	Well name and number	✓
17	Date of completion of scaled drawing	✓
18	All visible improvements within two hundred (200) feet of a wellhead (or, in a high density area within four hundred (400) feet of a wellhead) shall be physically tied in and plotted on the well location plat or on an addendum, with a horizontal distance and approximate bearing from the well location.	-
18a	Visible improvements shall include, but not be limited to, all buildings, publicly maintained roads and trails, major above ground utility lines, railroads, pipelines, mines, oil wells, gas wells, injection wells, water wells, visible plugged wells, sewers with manholes, standing bodies of water, and natural channels including permanent canals and ditches through which water flows.	-
18b	If there are no visible improvements within two hundred (200) feet of a wellhead (or in a high density area within four hundred (400) feet of a wellhead), it shall be so noted on the Permit-to-Drill, Form 2.	✓
19	Surface use shall be described within the two hundred (200) foot radius of a wellhead (or in a high density area within the four hundred (400) foot radius of a wellhead).	✓

The survey plat you submitted with your permit was found to be in ~~non~~-compliance with COGCC rule 303c. See above checklist. If a survey plat is not in compliance with rule 303c the operator will be notified and the permit will be placed on hold until an adequate replacement is supplied to the COGCC.

prz