

State of Colorado Oil and Gas Conservation Commission

DEPARTMENT OF NATURAL RESOURCES



FOR OGCC USE ONLY RECEIVED APR 14 1999 COLO. OIL & GAS CON. COMM

APPLICATION FOR PERMIT

1 a. TYPE OF WORK

[X] Drill, [ ] Deepen, [ ] Re-enter, [ ] Recomplete and Operate

1 b. TYPE OF WELL

OIL [X] GAS [ ] COAL BED [ ] OTHER: SINGLE ZONE [ ] MULTIPLE ZONE [ ] COMMINGLE ZONES [ ]

Refilling [ ] SideTrack [ ]

Table with columns ET, OE, PR, ES and handwritten initials.

Complete the Attachment Checklist

Attachment Checklist table with columns Op and OGCC, listing various permit requirements.

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 23 Twp: 1N Rng: 72W Meridian: 6th P.M. 11. Footage From Exterior Section Lines... 12. Ground Elevation: 8356' 13. County: Costilla 14. Field Name: Wildcat

LEASE, SPACING, AND POOLING INFORMATION

15. Spacing Order #(s): 16. # Acres in Unit: 17. Unit Description: 18. Mineral Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian 19. Surface Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian 20. Total Acres in Lease: 11,800 21. Describe Entire Lease by QtrQtr, Sec, Twp, Rng... 22. Is location in a high density area (Rule 603b)? [X] No [ ] Yes 23. Distance to nearest Lease Line: 3067' 24. Distance to nearest Property Line: 3067' 25. Distance to nearest well completed in the same Formation: N/A 26. Distance to nearest building, public road, major above ground utility or railroad: 1.25 mile east to county road

DRILLING PLANS AND PROCEDURES

27. Approx. Spud Date: May 1, 1999 28. Drilling Contractor Number: Name: To be determined Phone #: 29. Is H2S Anticipated: [X] No [ ] Yes 30. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling? [X] No [ ] Yes 31. Will salt sections be encountered during drilling? [X] No [ ] Yes 32. If questions 30 or 31 are yes, is this location in a sensitive area (Rule 903)? [ ] No [ ] Yes 33. Mud disposal: [ ] Offsite [X] Onsite Method: [ ] Land Farming [ ] Land Spreading [ ] Disposal Facility [X] Other: Evaporation

CASING AND CEMENTING PROGRAM

Table with columns: Size of Hole, Size of Casing, Weight per Foot, Setting Depth, Sks Cement, Cement Bottom, Cement Top. Rows include 20" conductor, 12-1/4" casing, 8-3/4" casing, and Stage Tool.

35. BOP Equipment: [X] Annular Preventor [X] Double Ram [ ] Rotating Head [ ] None

36. Comments, if any:

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: David Braden

Signed: [Signature] Title: Operations Manager Date: 4-14-99

OGCC Approved: [Signature] Director of COGCC Date: APR 22 1999

API NUMBER 05-023 05004 00

Permit Number: 990226 Expiration Date: APR 22 2000

CONDITIONS OF APPROVAL, IF ANY: SAN 6015

Provide 72 hour notice prior to MIRU to David Dillon at 303-894-2100 x 104. Provide adequate notice to COGCC to allow a COGCC representative to be on site prior to cementing surface casing and prior to cementing production casing if production casing is run. Obtain approval from COGCC prior to plugging well if well is plugged.