

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



DE ET OE ES

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refilling
Sidetrack

Document Number:
400035042
Plugging Bond Surety
19970026

3. Name of Operator: MERIT ENERGY COMPANY 4. COGCC Operator Number: 56565

5. Address: 13727 NOEL ROAD STE 500
City: DALLAS State: TX Zip: 75240

6. Contact Name: Michal White Phone: (972)628-1658 Fax: (972)628-1958
Email: Michal.White@meritenergy.com

7. Well Name: Wailes Well Number: 33-8

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

9. Proposed Total Measured Depth: 7750

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 8 Twp: 2S Rng: 63W Meridian: 6
Latitude: 39.888480 Longitude: -104.458620

Footage at Surface: 1978 FNL/FSL FSL 1970 FEL/FWL FEL

11. Field Name: Chieftain Field Number: 11060

12. Ground Elevation: 5197 13. County: ADAMS

14. GPS Data:

Date of Measurement: 07/19/2006 PDOP Reading: 2.5 Instrument Operator's Name: David L. Swanson

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: 3254 ft

18. Distance to nearest property line: 1970 ft 19. Distance to nearest well permitted/completed in the same formation: 1165 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.)
J Sand	JSND	291.15	320	E/2

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 Bon \$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):
SE/4, Sec. 8, T2S-R63W

25. Distance to Nearest Mineral Lease Line: 656 ft 26. Total Acres in Lease: 160

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 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: _____

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24#	770	400	500	
1ST	7+7/8	4+1/2	11.6#	7,750	1,000	7,750	

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

33. Comments _____

34. Location ID: 320557

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: Michal K. White

Title: Regulatory Analyst Date: 2/3/2010 Email: Michal.White@meritenergy.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: _____

API NUMBER 05 001 09580 00	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.

Attachment Check List

Att Doc Num	Name	Doc Description
400035118	WELL LOCATION PLAT	Wailes 33-8 Well Location Plat.pdf
400035119	TOPO MAP	Wailes 33-8 Topo Map.pdf
400035120	SURFACE AGRMT/SURETY	Wailes 33-8 SUA.pdf
400035121	30 DAY NOTICE LETTER	Wailes 33-8 30 Day Notice to Surface Owner.pdf
400035122	30 DAY NOTICE LETTER	Wailes 33-8 30 Day Notice to Adams County.pdf
400035123	PROPOSED SPACING UNIT	Wailes 33-8 Spacing Packet.pdf
400038876	FORM 2 SUBMITTED	400038876.pdf

Total Attach: 7 Files