

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



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| DE | ET | OE | ES |
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Document Number:

400048609

Plugging Bond Surety

20040071

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 ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: ANTERO RESOURCES PICEANCE CORPORATION

4. COGCC Operator Number: 10079

5. Address: 1625 17TH ST STE 300

City: DENVER State: CO Zip: 80202

6. Contact Name: Hannah Knopping Phone: (303)357-6412 Fax: (303)357-7315

Email: hknopping@anteroresources.com

7. Well Name: McLin Well Number: B3

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

9. Proposed Total Measured Depth: 7186

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 13 Twp: 6S Rng: 92W Meridian: 6

Latitude: 39.531032 Longitude: -107.608041

Footage at Surface: 1252 FNL/FSL FNL 449 FEL/FWL FEL

11. Field Name: Kokopelli Field Number: 47525

12. Ground Elevation: 5598 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 01/19/2010 PDOP Reading: 2.4 Instrument Operator's Name: Scott E. Aibner

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 260 FSL 612 FWL 612 FEL/FWL 260 FSL 612 FWL 612
Sec: 7 Twp: 6S Rng: 91W Sec: 7 Twp: 6S Rng: 91W

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: 1176 ft

18. Distance to nearest property line: 1000 ft 19. Distance to nearest well permitted/completed in the same formation: 364 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Iles | ILES | 513,523-6 | 277 | Part of W/2 |
| Williams Fork | WMFK | 513,523-6 | 277 | Part of W/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 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):
 Portions of the SW/4SW/4 of Section 7-T6S-R91W, a small portion of the S/2SE/4 of Section 12-T6S-R92W

25. Distance to Nearest Mineral Lease Line: 10 ft 26. Total Acres in Lease: 35

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: GarCty Landfill: Closed loop

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 24 | 16 | 55# | 60 | 177 | 60 | 0 |
| SURF | 12+1/4 | 8+5/8 | 24/32# | 1,000 | 416 | 1,000 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6# | 7,186 | 638 | 7,186 | |

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

33. Comments First String/Production TOC will be >500 feet above Top of Gas. The wellhead is 260' from the boundary of the spacing unit per Hannah Knopping email 4/22/10 plg.

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: Hannah Knopping

Title: Permit Representative Date: 3/19/2010 Email: hknopping@anteroresources.co

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: David S. Neslin Director of COGCC Date: 4/23/2010

API NUMBER

05 045 19377 00

Permit Number: _____ Expiration Date: 4/22/2012

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)24-HOUR SPUD NOTICE REQUIRED.E-MAIL Mike.Longworth@state.co.us ALSO E-MAIL Shaun.Kellerby@state.co.us (2)GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS.NOTE:ALL NOTICES SHALL BE GIVEN VIA E-MAIL.SEE ATTACHED NOTICE. (3)NEW MAMM CREEK FIELD NOTICE TO OPERATORS APPLIES TO THIS WELL.NOTE:ALL NOTICES SHALL BE GIVEN VIA E-MAIL.SEE ATTACHED NOTICE. (4)THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS.AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. (5)THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES.THE DEEPEST WATER WELL WITHIN 1-MILE IS 380 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 400048631 | WELL LOCATION PLAT | LF@2442243 400048631 |
| 400048632 | DEVIATED DRILLING PLAN | LF@2442244 400048632 |
| 400048633 | 30 DAY NOTICE LETTER | LF@2442245 400048633 |
| 400048634 | TOPO MAP | LF@2442246 400048634 |
| 400048635 | SURFACE AGRMT/SURETY | LF@2442247 400048635 |
| 400050570 | FORM 2 SUBMITTED | LF@2442248 400050570 |

Total Attach: 6 Files