

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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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:
400040938
Plugging Bond Surety
19880020

3. Name of Operator: MARATHON OIL COMPANY 4. COGCC Operator Number: 53650

5. Address: 5555 SAN FELIPE
City: HOUSTON State: TX Zip: 77056

6. Contact Name: Anna Walls Phone: (713)296-3468 Fax: (713)513-4394
Email: awalls@marathonoil.com

7. Well Name: 697-26A Well Number: 16

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

9. Proposed Total Measured Depth: 9200

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 26 Twp: 6S Rng: 97W Meridian: 6
Latitude: 39.498800 Longitude: -108.183020

Footage at Surface: 888 FNL/FSL FNL 1400 FEL/FWL FEL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8415.3 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 02/12/2010 PDOP Reading: 2.0 Instrument Operator's Name: William H Dolinar

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
1796 FNL 1978 FEL 1796 FNL 1978 FEL
Sec: 26 Twp: 6S Rng: 97W Sec: 26 Twp: 6S Rng: 97W

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: 883 ft

18. Distance to nearest property line: 888 ft 19. Distance to nearest well permitted/completed in the same formation: 638 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.)
Williams Fork	WMFK	510-21		

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):
See Attached Sheet

25. Distance to Nearest Mineral Lease Line: 3302 ft 26. Total Acres in Lease: 7393

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
CONDUCTOR	20	16	53	100	100	100	0
SURF	14+3/4	9+5/8	36	2,000	1,000	2,000	0
1ST	8+3/4	4+1/2	11.6	9,200	675	9,200	5,500

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

33. Comments Surface owned by: Puckett Minerals owned by: Puckett No visible improvements w/in 400' of wellhead

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: Anna Walls

Title: Regulatory Compliance Rep Date: 2/17/2010 Email: avwalls@marathonoil.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: David S. Neslin Director of COGCC Date: 3/15/2010

API NUMBER
05 045 19230 00

Permit Number: _____ Expiration Date: 3/13/2012

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: 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)CEMENT TOP VERIFICATION BY CBL REQUIRED. 4)COMPLY WITH ALL PROVISIONS OF THE JUNE 12, 2008 NOTICE TO OPERATORS DRILLING WELLS WITHIN 3/4 MILE OF THE RIM OF THE ROAN PLATEAU IN GARFIELD COUNTY - PIT DESIGN, CONSTRUCTION AND MONITORING REQUIREMENTS. SEE ATTACHED NOTICE. 5)THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 500 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400041157	PLAT	LF@2420135 400041157
400041159	DEVIATED DRILLING PLAN	LF@2420136 400041159
400041161	30 DAY NOTICE LETTER	LF@2420137 400041161
400041162	MINERAL LEASE MAP	LF@2420138 400041162
400041244	FORM 2 SUBMITTED	LF@2420139 400041244

Total Attach: 5 Files