

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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Document Number:

400013222

Plugging Bond Surety

20090100

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: TEXAS AMERICAN RESOURCES COMPANY

4. COGCC Operator Number: 10138

5. Address: 410 17TH STREET SUITE 1610

City: DENVER State: CO Zip: 80202

6. Contact Name: Melissa Lasley Phone: (720)279-6805 Fax: (303)592-3030

Email: mlasley@texasarc.com

7. Well Name: Egan State Well Number: 43-36

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

9. Proposed Total Measured Depth: 8327

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 36 Twp: 2S Rng: 65W Meridian: 6

Latitude: 39.832120 Longitude: -104.605060

Footage at Surface: 1979 FNL/FSL FSL 660 FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 5396 13. County: ADAMS

14. GPS Data:

Date of Measurement: 09/24/2009 PDOP Reading: 2.1 Instrument Operator's Name: Steven Lund

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: 660 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation: 1319 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		80	E/2SE/4
Niobrara/Codell	NB-CD		80	E/2SE/4

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 5597.68

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):
E/2; E/2W/2 Section 36-2S-65W

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 480

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: tbd

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#	1,800	575	1,800	
2ND	7+7/8	4+1/2	11.6#	8,327	250	8,327	7,117

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

33. Comments There are no PR wells with in this 400'x400' window. No conduct casing will be used

34. Location ID: 320613

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: Melissa Lasley

Title: Operations Analyst Date: 11/9/2009 Email: mlasley@texasarc.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. Nashin Director of COGCC Date: 1/14/2010

API NUMBER

05 001 09662 00

Permit Number: _____ Expiration Date: 1/13/2012

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) PROVIDE 24 HOUR NOTICE OF MIRU TO JIM PRECUP AT 303-469-1902 OR E-MAIL AT JAMES.PRECUP@STATE.CO.US 2) IF COMPLETED, PROVIDE CEMENT COVERAGE FROM TD TO A MINIMUM OF 200' ABOVE NIOBRARA. VERIFY COVERAGE WITH CEMENT BOND LOG. 3) IF DRY HOLE, SET 60 SKS CEMENT FROM 50' BELOW D SAND BASE TO 100' ABOVE D SAND TOP, 40 SKS CEMENT 50' ABOVE NIOBRARA TOP, 50 SKS CEMENT ½ OUT, ½ IN 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.

Attachment Check List

Att Doc Num	Name	Doc Description
1725361	SURFACE CASING CHECK	LF@2191755 1725361.00000
400014530	WELL LOCATION PLAT	LF@2184589 400014530
400014531	SURFACE AGRMT/SURETY	LF@2184590 400014531
400014544	30 DAY NOTICE LETTER	LF@2184591 400014544
400014566	FORM 2 SUBMITTED	LF@2184592 400014566

Total Attach: 5 Files