

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:

1808552

Plugging Bond Surety

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: RUNNING FOXES PETROLEUM INC

4. COGCC Operator Number: 10221

5. Address: 7060 SOUTH TUCSON WAY - STE B

City: CENTENNIAL State: CO Zip: 80112

6. Contact Name: KENT KEPPEL Phone: (720)889-0510 Fax: (303)617-7442
Email: KKEPPEL@ATOKA.COM

7. Well Name: JOLLY RANCH Well Number: 10-26

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

9. Proposed Total Measured Depth: 8000

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 26 Twp: 12s Rng: 56w Meridian: 6

Latitude: 38.972890 Longitude: -103.634240

Footage at Surface: 1980 FNL/FSL FSL FEL/FWL 1980 FEL FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 5283 13. County: LINCOLN

14. GPS Data:

Date of Measurement: 01/30/2008 PDOP Reading: 2.1 Instrument Operator's Name: ROBERT J. RUBINO

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: 320 ft

18. Distance to nearest property line: 1980 ft 19. Distance to nearest well permitted/completed in the same formation: 3750 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CHEROKEE | CHRK | | | |
| MARMATON | MRTN | | | |
| MORROW | MRRW | | | |
| SPERGEN | SPGN | | | |

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):
ALL OF SECTION 26 (PLUS ADDITIONAL)

25. Distance to Nearest Mineral Lease Line: 1980 ft 26. Total Acres in Lease: 18

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: PIT DRY

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 | 17+1/2 | 13+3/8 | 48 | 400 | 253 | 400 | 0 |
| 1ST | 7+7/8 | 6+1/2 | 17 | 8,000 | 497 | 8,000 | 2,500 |

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

33. Comments ALL CONDITIONS SAME AS ORIGINAL. NO CONDUCTOR CASING WILL BE USED. FROM #19 ABOVE: 3750' SE OF JOLLY RANCH 4-26 IN SEC. 26 ALSO.

34. Location ID: 309622

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: STEVEN A. TEDESCO

Title: PRESIDENT Date: 10/16/2009 Email: STEDESCO@RUNNINGFOX

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: 11/6/2009

API NUMBER

05 073 06323 00

Permit Number: _____ Expiration Date: 11/5/2011

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 Mike Leonard at 719-767-2805 or e-mail at mike.leonard@ state.co.us. 2) If production casing is set provide cement coverage to at least 200' above shallowest potential productive interval, and stage cement from 50' below Cheyenne to 50' above Dakota. Run CBL to verify primary and stage cement jobs. 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the Marmaton, 40 sks cement above any DST zone, 40 sks cement 100' below base of Cheyenne, 40 sks cement 50' above top of Dakota, 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement in rat hole and mouse hole.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|----------------------|
| 1808554 | WAIVERS | LF@2161827 1808554 |
| 2097944 | SURFACE CASING CHECK | LF@2171803 2097944 |
| 400010278 | FORM 2 SUBMITTED | LF@2162048 400010278 |
| 400015976 | APD ORIGINAL | LF@2161826 400015976 |

Total Attach: 4 Files