

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

Refiling
Sidetrack

Document Number:
1774476
Plugging Bond Surety
20000063

3. Name of Operator: MULL DRILLING COMPANY INC 4. COGCC Operator Number: 61250

5. Address: 1700 N WATERFRONT PKWY B#1200
City: WICHITA State: KS Zip: 67206-6637

6. Contact Name: MARK SHREVE Phone: (316)264-6366 Fax: (316)264-6440
Email: MSHREVE@MULLDRILLING.COM

7. Well Name: HERTLEIN UNIT Well Number: 1-22

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

9. Proposed Total Measured Depth: 5000

WELL LOCATION INFORMATION

10. QtrQtr: E2 Sec: 22 Twp: 18S Rng: 45W Meridian: 6
Latitude: 38.476720 Longitude: -102.440390

Footage at Surface: 2636 FNL/FSL FNL 939 FEL/FWL FEL

11. Field Name: BUSCADERO Field Number: 7900

12. Ground Elevation: 3929.3 13. County: KIOWA

14. GPS Data:

Date of Measurement: 09/17/2009 PDOP Reading: 2.1 Instrument Operator's Name: KEITH WESTFALL

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: 400 ft

18. Distance to nearest property line: 939 ft 19. Distance to nearest well permitted/completed in the same formation: 2943 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| MISSISSIPPIAN | MSSP | | 40 | |

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):
 40 ACRE UNIT, 1320' X 1320' SQUARE WITH WELL IN CENTER OF UNIT (PLAT ATTACHED).

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 40

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: DRY/BURYING

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 | 300 | 200 | 300 | 0 |
| 1ST | 7+7/8 | 5+1/2 | 15.5 | 5,000 | 250 | 5,000 | 3,500 |
| | | | Stage Tool | 2,300 | 300 | 2,300 | 0 |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. PER M.S. 8 DEC '09.

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: MARK SHREVE

Title: PRES./COO Date: 12/2/2009 Email: MSHREVE@MULLDRILLING.

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: 1/7/2010

API NUMBER
 05 061 06839 00

Permit Number: _____ Expiration Date: 1/6/2012

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 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 top potentially productive zone, and stage cement Cheyenne & Dakota zones (100' below to 50' above, appx. 1290' - 770'). Run CBL to verify primary and stage cement jobs. 3) If well is a dry hole set the following plugs: 40 sks cement 50' above the Marmaton, 40 sks cement above any DST w/ show, 40 sks cement below base of Cheyenne (1290' up), 40 sks cement above top of Dakota (770' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement in rat hole and mouse hole.

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Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|--------------------------|
| 1774478 | WELL LOCATION PLAT | LF@2185091 1774478 |
| 1774479 | WELL LOCATION PLAT | LF@2185092 1774479 |
| 1774480 | SURFACE AGRMT/SURETY | LF@2185093 1774480 |
| 1774481 | 30 DAY NOTICE LETTER | LF@2185094 1774481 |
| 2098482 | SURFACE CASING CHECK | LF@2199766 2098482.00000 |
| 400019432 | FORM 2 SUBMITTED | LF@2193708 400019432 |
| 400029420 | APD ORIGINAL | LF@2185090 400029420 |

Total Attach: 7 Files