

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:
400018951
Plugging Bond Surety
20070091

3. Name of Operator: UNIOIL 4. COGCC Operator Number: 90950

5. Address: 1775 SHERMAN ST STE 3000
City: DENVER State: CO Zip: 80203

6. Contact Name: Sarah Garrett Phone: (303)860-5803 Fax: (303)860-5838
Email: sgarrett@petd.com

7. Well Name: Binder Well Number: 10-KU

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

9. Proposed Total Measured Depth: 7350

WELL LOCATION INFORMATION

10. QtrQtr: SEW Sec: 10 Twp: 4N Rng: 67W Meridian: 6
Latitude: 40.327690 Longitude: -104.881640

Footage at Surface: 2367 FNL/FSL FNL 1390 FEL/FWL FWL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4770 13. County: WELD

14. GPS Data:

Date of Measurement: 10/07/2008 PDOP Reading: 6.0 Instrument Operator's Name: Thomas G Carlson PIS 24657

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: 248 ft

18. Distance to nearest property line: 262 ft 19. Distance to nearest well permitted/completed in the same formation: 1110 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		160	GWA
Niobrara Codell	NB-CD	407-87	160	GWA
Sussex Shannon	SX-SN		160	GWA

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#: 20070028

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):
Township 4 North, Range 67 West, 6th P.M., Section 10:N2

25. Distance to Nearest Mineral Lease Line: 262 ft 26. Total Acres in Lease: 320

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
SURF	12+1/4	8+5/8	24	450	270	450	0
S.C. 1.1	7+7/8	4+1/2	10.5	7,350	200	7,350	6,000

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

33. Comments Conductor casing will not be used. Well has a related 2A (doc#400019193) for the wellsite, and will also be tied into a common tank battery, whose 2A is called Binder South Multi-Well Pad (doc#400018298).

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: Sarah Garrett

Title: Landman Date: 12/1/2009 Email: sgarrett@petd.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: 1/10/2010

API NUMBER
05 123 31015 00

Permit Number: _____ Expiration Date: 1/9/2012

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 Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Shannon to 200' above Sussex. Verify coverage with cement bond log.

Location is outside of GWA window and is more than 50' from existing well; exceptions has been granted.

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Attachment Check List

Att Doc Num	Name	Doc Description
1769720	SURFACE CASING CHECK	LF@2201992 1769720.00000
2105015	EXCEPTION LOC REQUEST	LF@2202760 2105015
400019185	PROPOSED SPACING UNIT	LF@2194190 400019185
400019186	30 DAY NOTICE LETTER	LF@2194191 400019186
400019187	PLAT	LF@2194192 400019187
400019190	TOPO MAP	LF@2194193 400019190
400019191	EXCEPTION LOC WAIVERS	LF@2194194 400019191
400019192	PROPOSED SPACING UNIT	LF@2194195 400019192
400019208	FORM 2 SUBMITTED	LF@2194196 400019208

Total Attach: 9 Files