

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:

400053181

Plugging Bond Surety

20080136

3. Name of Operator: OMIMEX PETROLEUM INC 4. COGCC Operator Number: 66190

5. Address: 2001 BEACH ST STE 810
City: FORT WORTH State: TX Zip: 76103

6. Contact Name: Cliff Williams Phone: (817)321-7015 Fax: (817)735-8033
Email: cliff_williams@omimexgroup.com

7. Well Name: Kenalo Well Number: 1-24-7-45

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

9. Proposed Total Measured Depth: 2800

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 24 Twp: 7N Rng: 45W Meridian: 6
Latitude: 40.569280 Longitude: -102.325590

Footage at Surface: 704 FNL/FSL FNL 1175 FEL/FWL FEL

11. Field Name: Holyoke South Field Number: 36650

12. Ground Elevation: 3763.7 13. County: PHILLIPS

14. GPS Data:

Date of Measurement: 03/15/2010 PDOP Reading: 1.8 Instrument Operator's Name: E. Johnson

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: 704 ft

18. Distance to nearest property line: 704 ft 19. Distance to nearest well permitted/completed in the same formation: 1298 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.)
Niobrara	NBRR			

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):
NE/4; Section 24, T7N, R45W

25. Distance to Nearest Mineral Lease Line: 704 ft 26. Total Acres in Lease: 160

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: evaporation

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	9+7/8	7	17	450	200	0	450
1ST	6+1/4	4+1/2	10.5	2,800	100	2,800	1,950

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

33. Comments No conductor casing will be used on this well. There are two other expired permitted wells in this same quarter section that have not been drilled and therefore have no production.

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: Cliff Williams

Title: Land Manager Date: 4/8/2010 Email: cliff_williams@omimexgroup.co

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: 5/12/2010

API NUMBER

05 095 06277 00

Permit Number: _____ Expiration Date: 5/11/2012

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 hr notice of spud to Colby Horton at 970-467-2517 or colby.horton@state.co.us.
2. Set surface casing per Rule 317d, cement to surface. Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC.
3. If completed, provide cement coverage from TD to 200' above Niobrara. Verify coverage with cement bond log.
4. If well is a dry hole set the following plugs: a) 40 sks cement from 50' above Niobrara top up, b) 40 sks cement ½ out, ½ in surface casing c) 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole and 5 sks cement in mouse hole. Restore surface location.

COGCC ENG COA 1. Provide 24 hr notice of spud to Colby Horton at 970-467-2517 or colby.horton@state.co.us. 2. Set surface casing per Rule 317d, cement to surface. Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC. 3. If completed, provide cement coverage from TD to 200' above Niobrara. Verify coverage with cement bond log. 4. If well is a dry hole set the following plugs: a) 40 sks cement from 50' above Niobrara top up, b) 40 sks cement ½ out, ½ in surface casing c) 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole and 5 sks cement in mouse hole. Restore surface location.

Attachment Check List

Att Doc Num	Name	Doc Description
1725760	SURFACE CASING CHECK	LF@2455280 1725760
400053247	WELL LOCATION PLAT	LF@2451607 400053247
400053249	TOPO MAP	LF@2451608 400053249
400053612	FORM 2 SUBMITTED	LF@2451609 400053612

Total Attach: 4 Files