

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



|    |    |    |    |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

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:  
400050308  
Plugging Bond Surety  
20090062

3. Name of Operator: MACHII-ROSS PETROLEUM CO 4. COGCC Operator Number: 52250

5. Address: 2901 28TH ST STE 205  
 City: SANTA MONICA State: CA Zip: 90405

6. Contact Name: CLAYTON DOKE Phone: (970)669-7411 Fax: (970)669-4077  
 Email: clay.doke@gmail.com

7. Well Name: KUGEL Well Number: 32-18J

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 8100

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 18 Twp: 2N Rng: 67W Meridian: 6  
 Latitude: 40.140280 Longitude: -104.931060

Footage at Surface: 1967 <sup>FNL/FSL</sup> FNL 1964 <sup>FEL/FWL</sup> FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4967 13. County: WELD

14. GPS Data:

Date of Measurement: 02/23/2007 PDOP Reading: 0.3 Instrument Operator's Name: TOM WINANS

15. If well is  Directional  Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: <sup>FNL/FSL</sup> \_\_\_\_\_ <sup>FEL/FWL</sup> \_\_\_\_\_ Bottom Hole: <sup>FNL/FSL</sup> \_\_\_\_\_ <sup>FEL/FWL</sup> \_\_\_\_\_  
 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: 820 ft

18. Distance to nearest property line: 666 ft 19. Distance to nearest well permitted/completed in the same formation: 1116

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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL-NIOBRARA        | NB-CD          | 407-87                  | 80                            | W/2NE4                               |
| J SAND                 | JSND           | 232-23                  | 320                           | N/2                                  |

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#: 20090063

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 2N, RANGE 67, SEC. 18, NE/4

25. Distance to Nearest Mineral Lease Line: 672 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: \_\_\_\_\_

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#             | 670           | 450          | 670           | 0          |
| 1ST         | 7+7/8        | 4+1/2          | 11.6#           | 8,100         | 150          | 8,100         | 200        |

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

33. Comments NO CONDUCTOR CASING WILL BE RUN. THERE HAVE BEEN NO CHANGES RELATIVE TO THE PREVIOUSLY APPROVED PERMIT. PROPOSED WELL TWINS THE THE EXISTING KUGEL 32-18. PER OPERATOR GUIDANCE DOCUMENT FOR REFILES NO ATTACHEMENTS HAVE BEEN INCLUDED.

34. Location ID: 336400

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: CLAYTON DOKE

Title: ENGINEER Date: 4/7/2010 Email: clay.doke@gmail.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: 5/13/2010

**API NUMBER**  
05 123 25251 00

Permit Number: \_\_\_\_\_ Expiration Date: 5/12/2012

**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) Note surface casing setting depth change from 600' to 670'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us 3) 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.

### Attachment Check List

| Att Doc Num | Name             | Doc Description      |
|-------------|------------------|----------------------|
| 400050308   | FORM 2 SUBMITTED | LF@2451498 400050308 |

Total Attach: 1 Files