

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:

400057954

Plugging Bond Surety

20090040

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: FRAM OPERATING LLC

4. COGCC Operator Number: 10310

5. Address: 30 E PIKES PEAK AVE STE 283

City: COLORADO State: CO Zip: 80903
SPRINGS

6. Contact Name: David Cook Phone: (719)593-8787 Fax: (719)314-1362
Email: dave@framamericas.com

7. Well Name: Eberly Well Number: 23-4-M

8. Unit Name (if appl): BLM WW Unit Unit Number: 73038X

9. Proposed Total Measured Depth: 3786

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 23 Twp: 2S Rng: 2E Meridian: U

Latitude: 38.970860 Longitude: -108.332400

Footage at Surface: 1921 FNL/FSL 680 FEL/FWL FEL

11. Field Name: Whitewater Field Number: 92840

12. Ground Elevation: 5556 13. County: MESA

14. GPS Data:

Date of Measurement: 01/24/2005 PDOP Reading: 6.0 Instrument Operator's Name: Jeff Fletcher

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

Footage at Top of Prod Zone: FNL/FSL 2206 FNL 662 FEL 662 FEL/FWL 1539 FSL 569 FEL 569
Sec: 23 Twp: 2S Rng: 2E Sec: 23 Twp: 2s Rng: 2e

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: 550 ft

18. Distance to nearest property line: 680 ft 19. Distance to nearest well permitted/completed in the same formation: 286 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Dakota | DKTA | | | |

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 Bond ☐ \$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):
On file with previous permit.

25. Distance to Nearest Mineral Lease Line: 201 ft 26. Total Acres in Lease: 2013

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: Drilled with air dry cuttings

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 |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 16 | 14 | 50 | 50 | 50 | 50 | 0 |
| SURF | 11+0/0 | 8+5/8 | 24# | 470 | 300 | 470 | 0 |
| 2ND | 7+7/8 | 5+1/2 | 14# | 2,250 | 500 | 2,250 | 510 |
| OPEN HOLE | 4+7/8 | | NA | 3,786 | | | |

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

33. Comments

- The pad has been built.
- The pits have been constructed.
- The refile will not require any expansion / additional surface disturbance of the pad.
- The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).
- The location is not in a wildlife restricted surface occupancy area.

Pad is built. All the statements are correct. Thanks. David A. Cook
No changes have been made to the surface use or visible improvements within 400' since the last permit was issued. 318B Location Exception Included.

34. Location ID: 334484

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: David Cook

Title: Manager Date: 4/27/2010 Email: dave@framamericas.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: 6/4/2010

API NUMBER

05 077 09314 00

Permit Number: _____

Expiration Date: 6/3/2011**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)COMPLY WITH NOTIFICATION REQUIREMENTS OF THE MOST CURRENT VERSION OF THENORTHWEST COLORADO NOTIFICATION POLICY.

24-HOUR SPUD NOTICE REQUIRED.E-MAIL Chuck.Browning@state.co.us

ALSO E-MAIL Shaun.Kellerby@state.co.us

(2)CEMENT-TOP VERIFICATION BY CBL REQUIRED.

(3)THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS.AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1.

(4)NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT.THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT.THE ENTIRE BASE OF THE PIT MUST BE IN CUT.

(5)THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES.THE DEEPEST WATER WELL WITHIN 1-MILE IS 240 FEET DEEP.

(1) COMPLY WITH NOTIFICATION REQUIREMENTS OF THE MOST CURRENT VERSION OF THE NORTHWEST COLORADO NOTIFICATION POLICY.

24-HOUR SPUD NOTICE REQUIRED. E-MAIL Chuck.Browning@state.co.us

ALSO E-MAIL Shaun.Kellerby@state.co.us

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Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|----------------------|----------------------|
| 400057954 | FORM 2 SUBMITTED | LF@2460021 400057954 |
| 400057960 | 30 DAY NOTICE LETTER | LF@2460023 400057960 |

Total Attach: 2 Files