

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:

400049853

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: Worley Well Number: 14-19-7-44

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

9. Proposed Total Measured Depth: 2800

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 19 Twp: 7N Rng: 44W Meridian: 6

Latitude: 40.559940 Longitude: -102.311710

Footage at Surface: 1223 FNL/FSL FSL 2665 FEL/FWL FWL

11. Field Name: Holyoke South Field Number: 36650

12. Ground Elevation: 3749.2 13. County: PHILLIPS

14. GPS Data:

Date of Measurement: 03/15/2010 PDOP Reading: 1.7 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: 1220 ft

18. Distance to nearest property line: 35 ft 19. Distance to nearest well permitted/completed in the same formation: 2290 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 | | 160 | W/2SE4, E/2SW4 |

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):
SW/4 Section 19, 7N 44W

25. Distance to Nearest Mineral Lease Line: 35 ft 26. Total Acres in Lease: 162

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

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

33. Comments No conductor pipe will be used. Although this well is only 35' from the lease and property line, we have a lease from the contiguous property owner and both leases give Omimex the express right to pool the leases for production purposes. Operator requests the approval of a unit consisting of pooled interests in the E/2SW4, W/2SE4 of section 19. Pooling dec. attached. Operator requests the approval of a property line exception to rule 603a2. Waiver attached.

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: 3/26/2010 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. Nesline Director of COGCC Date: 7/23/2010

API NUMBER

05 095 06288 00

Permit Number: _____ Expiration Date: 7/22/2012

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.

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 |
|-------------|-----------------------|----------------------|
| 1725756 | SURFACE CASING CHECK | LF@2455287 1725756 |
| 2529205 | EXCEPTION LOC WAIVERS | LF@2506605 2529205 |
| 2529207 | PROPOSED SPACING UNIT | LF@2507217 2529207 |
| 2529256 | EXCEPTION LOC REQUEST | LF@2511960 2529256 |
| 400050108 | WELL LOCATION PLAT | LF@2446768 400050108 |
| 400050111 | TOPO MAP | LF@2446769 400050111 |
| 400050194 | 30 DAY NOTICE LETTER | LF@2446770 400050194 |
| 400050639 | FORM 2 SUBMITTED | LF@2446771 400050639 |

Total Attach: 8 Files