

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:

2583993

Plugging Bond Surety

19960010

3. Name of Operator: MATRIX ENERGY LLC

4. COGCC Operator Number: 54380

5. Address: 1241 THOROUGHbred ROAD

City: DURANGO State: CO Zip: 81303

6. Contact Name: DAVID BLANDFORD Phone: (970)247-1959 Fax: (970)247-2359
Email: ANDELEENERGY@GMAIL.COM

7. Well Name: MORO FARMS Well Number: 34-29

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

9. Proposed Total Measured Depth: 7245

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 29 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.453010 Longitude: -104.685100

Footage at Surface: 660 FNL/FSL FSL 1980 FEL/FWL FEL

11. Field Name: WATTENBERG Field Number: 90750

12. Ground Elevation: 4703 13. County: WELD

14. GPS Data:

Date of Measurement: 04/02/2010 PDOP Reading: 2.3 Instrument Operator's Name: R. GABRIEL

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: 610 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation: 1320

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/CODELL	NB-CD	381-5	80	S/2SE4

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):
S/2SE4 SEC 29-T6N-R65W

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 80

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	560	175	560	0
1ST	7+7/8	4+1/2	11.6	7,245	500	7,245	0

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

33. Comments conductor casing will not be used

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: DAVID M. BLANDFORD

Title: CO-MANAGER Date: 7/19/2010 Email: ANDELEENERGY@GMAIL.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: 9/21/2010

API NUMBER

05 123 32232 00

Permit Number: _____ Expiration Date: 9/20/2012

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. Verify coverage with cement bond log.

Attachment Check List

Att Doc Num	Name	Doc Description
2583993	APD ORIGINAL	LF @ 2531466 2583993
2583994	WELL LOCATION PLAT	LF @ 2531467 2583994
2583995	TOPO MAP	LF @ 2531518 2583995
2583996	SURFACE AGRMT/SURETY	LF @ 2531468 2583996
2583997	OTHER	LF @ 2531469 2583997

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	bonding is updated	9/21/2010 12:38:07 PM
Permit	Bonding insufficient; operator working on updating plugging bond.	9/10/2010 9:08:02 AM
Permit	Added Plugging Bond & distance to nearest permitted well, with permission from Opr-David	8/31/2010 11:59:17 AM

Total: 3 comment(s)

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