

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:
400085339
Plugging Bond Surety
20050066

3. Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC 4. COGCC Operator Number: 10112

5. Address: 14800 LANDMARK BLVD STE #220
City: DALLAS State: TX Zip: 75254

6. Contact Name: Venessa Langmacher Phone: (303)857-9999 Fax: (303)450-9200
Email: vllpermitco@aol.com

7. Well Name: Roundup Well Number: 22-24D

8. Unit Name (if appl): Sombrero Unit Unit Number: COC-072192X

9. Proposed Total Measured Depth: 9500

WELL LOCATION INFORMATION

10. QtrQtr: SE NW Sec: 24 Twp: 7N Rng: 93W Meridian: 6
Latitude: 40.544783 Longitude: -107.784192

Footage at Surface: 2170 FNL/FSL FNL 1930 FEL/FWL FWL

11. Field Name: Lay Creek Field Number: 48550

12. Ground Elevation: 6496 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 07/29/2010 PDOP Reading: 3.0 Instrument Operator's Name: Brandon Bowthorpe

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: 1875 ft

18. Distance to nearest property line: 1930 ft 19. Distance to nearest well permitted/completed in the same formation: 5280 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):
T7N-R93W: Sec. 13: SW, Sec. 24: Lots 1, 2, 3, 5, 6, NW NE, E/2 NW NW NW

25. Distance to Nearest Mineral Lease Line: 610 ft 26. Total Acres in Lease: 490

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
2ND	7	5+1/2	17	7,500	400	7,500	2,800
1ST LINER	6	4+1/2	11.6	9,500		9,500	7,500

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

33. Comments The distance to the nearest well completed in the same formation is greater than one mile from this location. A none (non?) slotted liner will be installed from 7,500' - 9,500'.

34. Location ID: 313315

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: Venessa Langmacher

Title: Regulatory Supervisor Date: 8/23/2010 Email: vllpermitco@aol.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: 10/4/2010

API NUMBER 05 081 07336 00	Permit Number: _____	Expiration Date: <u>10/3/2012</u>
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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) CEMENT ON PRODUCTION CASING MUST BE AT LEAST 200' ABOVE TOP OF FT. UNION AND COMPLY WITH RULES 209 AND 317.I. SEGREGATE OIL, GAS, AND FRESH-WATER-BEARING ZONES AND PROTECT COAL SEAMS. VERIFY TOP WITH CBL.

(3) 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 50 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400085339	FORM 2 SUBMITTED	LF@2529413 400085339
400086778	PLAT	LF@2529414 400086778

Total Attach: 2 Files

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