

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:

400089966

Plugging Bond Surety

20060105

3. Name of Operator: APOLLO OPERATING LLC 4. COGCC Operator Number: 100515. Address: 1538 WAZEE ST STE 200City: DENVER State: CO Zip: 802026. Contact Name: Virginia Lopez Phone: (303)928-7128 Fax: (303)423-8765Email: virginia@petro-fs.com7. Well Name: Mesbergen Well Number: 45-3D

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

9. Proposed Total Measured Depth: 7375

WELL LOCATION INFORMATION

10. QtrQtr: SE/SE Sec: 3 Twp: 6N Rng: 66W Meridian: 6Latitude: 40.511283 Longitude: -104.756706Footage at Surface: 429 FNL/FSL FSL 680 FEL/FWL FEL11. Field Name: Eaton Field Number: 1935012. Ground Elevation: 4900 13. County: WELD

14. GPS Data:

Date of Measurement: 09/22/2010 PDOP Reading: 6.0 Instrument Operator's Name: Ben Milius15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 429 FSL 680 FEL FEL Bottom Hole: FNL/FSL 1300 FSL 1336 FEL FELSec: 3 Twp: 6N Rng: 66W Sec: 3 Twp: 6N Rng: 66W16. Is location in a high density area? (Rule 603b)? Yes No17. Distance to the nearest building, public road, above ground utility or railroad: 323 ft18. Distance to nearest property line: 182 ft 19. Distance to nearest well permitted/completed in the same formation: 200 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| JSAND | JSND | | 160 | SE/4 |
| Niobrara-Codell | NB-CD | 407 | 80 | E/2 SE/4 |

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):
Please see the attached mineral lease map.

25. Distance to Nearest Mineral Lease Line: _____ 18 ft _____ 26. Total Acres in Lease: _____ 88 _____

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 | 500 | 350 | 500 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 7,375 | 500 | 7,375 | 0 |

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

33. Comments No conductor casing will 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: Virginia Lopez

Title: Regulatory Technician Date: _____ Email: virginia@petro-fs.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: _____ Director of COGCC Date: _____

| | | |
|-------------------|--|------------------------|
| API NUMBER | Permit Number: _____ | Expiration Date: _____ |
| 05 | 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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|--------------------------|
| 400097151 | PLAT | Mesbergen 45-3D Plat.pdf |
| 400097152 | TOPO MAP | Mesbergen 45-3D Topo.pdf |
| 400097154 | DEVIATED DRILLING PLAN | Mesbergen 45-3D PN1.pdf |

Total Attach: 3 Files