

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:  
400121163  
Plugging Bond Surety  
19970026

3. Name of Operator: MERIT ENERGY COMPANY 4. COGCC Operator Number: 56565

5. Address: 13727 NOEL ROAD STE 500  
City: DALLAS State: TX Zip: 75240

6. Contact Name: Michal White Phone: (972)628-1658 Fax: (972)628-1958  
Email: Michal.White@meritenergy.com

7. Well Name: Federal Well Number: 12-21

8. Unit Name (if appl): Pilgrim Unit Unit Number: COC56158X

9. Proposed Total Measured Depth: 7580

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 21 Twp: 11N Rng: 93W Meridian: 6

Latitude: 40.900632 Longitude: -107.846766

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

11. Field Name: Teardrop Field Number: 80950

12. Ground Elevation: 6627 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 10/19/2010 PDOP Reading: 2.3 Instrument Operator's Name: Robert Thomas

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: 2200 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation: 1200 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.)
Fort Union	FTUN	NA	6035	
Lance	LNCE	NA	6035	

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: COC45934

22. Surface Ownership:  Fee  State  Federal  Indian

23. Is the Surface Owner also the Mineral Owner?  Yes  No Surface Surety ID#: 20020015

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):  
E/2 Sec 17, N/2 and N/2 SW and SESW of Sec 21, SENE and NESE Sec 29, T11N-R93W, 6th PM

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 1000

**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	Wt/Ft	Csg/Line Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	36	0	825	357	825	0
1ST	8+3/4	5+1/2	17	0	7,575	394	7,575	2,570

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

33. Comments \_\_\_\_\_

34. Location ID: 313202

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: Michal

Title: White Date: 1/6/2011 Email: Michal.White@meritenergy.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: \_\_\_\_\_

Permit Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

<b>API NUMBER</b>
05 081 07195 00

**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.

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**Attachment Check List**

<u>Att Doc Num</u>	<u>Name</u>
400121163	FORM 2 SUBMITTED
400121272	30 DAY NOTICE LETTER
400121273	

Total Attach: 3 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

**BMP**

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Please see attached BMP.

Total: 1 comment(s)