

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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Document Number:

400120589

Plugging Bond Surety

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 ☐

3. Name of Operator: AXIA ENERGY LLC

4. COGCC Operator Number: 10335

5. Address: 1430 LARIMER STREET #400

City: DENVER State: CO Zip: 80202

6. Contact Name: Venessa Langmacher Phone: (303)8579999 Fax: (303)4509200  
Email: vllpermitco@aol.com

7. Well Name: Kimball Creek Fed Well Number: 13-104D-995

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 7481

WELL LOCATION INFORMATION

10. QtrQtr: SE NE Sec: 14 Twp: 9S Rng: 95W Meridian: 6

Latitude: 39.279374 Longitude: -107.953088

Footage at Surface: 1707 feet FNL/FSL 340 feet FEL/FWL FEL

11. Field Name: Kimball Creek Field Number: \_\_\_\_\_

12. Ground Elevation: 6874 13. County: MESA

14. GPS Data:

Date of Measurement: 07/22/2010 PDOP Reading: 2.4 Instrument Operator's Name: Ivan Martin

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1155 FNL 660 FWL FWL Bottom Hole: FNL/FSL 1155 FNL 660 FWL FWL  
Sec: 13 Twp: 9S Rng: 95W Sec: 13 Twp: 9S Rng: 95W

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: 393 ft

18. Distance to nearest property line: 340 ft 19. Distance to nearest well permitted/completed in the same formation: 1151 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.)
Iles	ILES	371-9	160	W/2
Williams Fork	WMFK	371-9	160	W/2

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC-64809

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):  
 Section 13: W/2, W/2 SE, Section 14: SW NE, NW, N/2 SW, SW SW, Section 24: N/2 NW

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 800

### 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 and Burial

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/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	65	0	160		160	0
SURF	12+1/4	8+5/8	32	0	1,950	957	1,950	0
1ST	7+7/8	4+1/2	11.6	0	7,481	483	7,481	4,439

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

33. Comments Axia owns the surface so no SUA or bond is needed.

34. Location ID: 420191

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: 1/5/2011 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: 1/27/2011

**API NUMBER**

05 077 10148 00

Permit Number: \_\_\_\_\_ Expiration Date: 1/26/2013

**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) SURFACE CASING MUST BE RUN TO A MINIMUM DEPTH OF 1880'.

(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 190 FEET DEEP.

### **Attachment Check List**

Att Doc Num	Name
1693797	DEVIATED DRILLING PLAN
400120589	FORM 2 SUBMITTED
400120595	DEVIATED DRILLING PLAN
400120597	PLAT
400120777	FED. DRILLING PERMIT

Total Attach: 5 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Received corrected Directional Survey. plg.	1/12/2011 1:50:07 PM
Permit	Added doc 400084383, approved 2A under related forms, spacing order 371-9, Sec 13, W/2, 160 acres. Added under operator comments "Axia owns the surface so no SUA or bond is needed." . Changed 1701' FNL to 1707' FNL & 340' FWL to 340' FEL per well plat. plg. Requesting corrected Directional Survey. plg.	1/11/2011 2:36:08 PM

Total: 2 comment(s)

### **BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>

Total: 0 comment(s)