

FORM

2

Rev 12/05

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109

State of Colorado

Oil and Gas Conservation Commission



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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:

400140960

Plugging Bond Surety

20100085

3. Name of Operator: LARIO OIL & GAS COMPANY 4. COGCC Operator Number: 49888

5. Address: PO BOX 29
City: DENVER State: CO Zip: 80201

6. Contact Name: Christopher Noonan Phone: (303)820-4480 Fax: (303)820-4124
Email: bob@banko1.com

7. Well Name: Grimm Well Number: 34-3M

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

9. Proposed Total Measured Depth: 8900

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 34 Twp: 4S Rng: 64W Meridian: 6

Latitude: 39.659790 Longitude: -104.542310

Footage at Surface: 2383 feet FNL 1320 feet FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5763 13. County: ARAPAHOE

14. GPS Data:

Date of Measurement: 03/11/2011 PDOP Reading: 1.2 Instrument Operator's Name: K. Daley

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

Footage at Top of Prod Zone: _____ _____ _____ Bottom Hole: _____ _____

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: 2400 ft

18. Distance to nearest property line: 252 ft 19. Distance to nearest well permitted/completed in the same formation: 1856 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.)
J Sand	JSND			

21. Mineral Ownership: Fee State Federal Indian Lease #: D0043215

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20100086

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):
 Fee Lease D0065142: T4S R64W Sec 34: NW/4, N/2NE/4, SE/4NE/4. Fee Lease D0043215: T4S R64W Sec 34: S/2, SW/4NE/4

25. Distance to Nearest Mineral Lease Line: 242 26. Total Acres in Lease: 640

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**

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/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	20	16		0	60	50	60	0
SURF	12+1/4	8+5/8	24	0	2,000	915	2,000	0
1ST	7+7/8	5+1/2	17	0	8,900	900	8,900	6,600

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

33. Comments _____

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: Christopher A. Noonan

Title: Permit Agent Date: 3/14/2011 Email: bob@banko1.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.

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Attachment Check List

Att Doc Num	Name
400140960	FORM 2 SUBMITTED
400142421	WELL LOCATION PLAT
400142422	ACCESS ROAD MAP
400142423	EQUIPMENT LIST
400142434	DRILLING PLAN

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date

Total: 0 comment(s)

BMP

Type	Comment

Total: 0 comment(s)