

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		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES
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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:
 400126096
 Plugging Bond Surety
 20090029

3. Name of Operator: HRM RESOURCES LLC 4. COGCC Operator Number: 10273

5. Address: 555 17TH STREET #950
 City: DENVER State: CO Zip: 80202

6. Contact Name: Terry Hoffman Phone: (303)250.0619 Fax: (303)412.8212
 Email: tlhoffman@q.com

7. Well Name: Fritzler Well Number: 2-2-21

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

9. Proposed Total Measured Depth: 7366

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 21 Twp: 6N Rng: 66W Meridian: 6

Latitude: 40.476240 Longitude: -104.790390

Footage at Surface: 1707 feet FNL 569 feet FWL

11. Field Name: Bracewell Field Number: 7487

12. Ground Elevation: 4746 13. County: WELD

14. GPS Data:

Date of Measurement: 11/23/2010 PDOP Reading: 1.3 Instrument Operator's Name: Brian Brinkman

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
1317 FNL 1277 FWL 1317 FNL 1277 FWL
 Sec: 21 Twp: 6N Rng: 66W Sec: 21 Twp: 6N Rng: 66W

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: 530 ft

18. Distance to nearest property line: 569 ft 19. Distance to nearest well permitted/completed in the same formation: 812 ft

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-Codell	NB-CD	381-5	160	NW/4

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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#: 20080120
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):
Section 21-T6N-R66W: W/2 NW/4
25. Distance to Nearest Mineral Lease Line: 11 ft 26. Total Acres in Lease: 80

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
SURF	12+1/4	8+5/8	24	0	650	450	650	0
1ST	7+7/8	4+1/2	11.6	0	7,366	140	7,366	6,765

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments No conductor will be set on this well. All footages 5280' are 1 mile or greater. HRM Resources LLC requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location.

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: Terry L. Hoffman
Title: Permit Agent Date: 2/15/2011 Email: tlhoffman@q.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. Nesline Director of COGCC Date: 3/24/2011

API NUMBER
05 123 33214 00
Permit Number: _____ Expiration Date: 3/23/2013
CONDITIONS OF APPROVAL, IF ANY:

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2622327	EXCEPTION LOC REQUEST
400126096	FORM 2 SUBMITTED
400126097	PLAT
400127005	30 DAY NOTICE LETTER
400133279	EXCEPTION LOC WAIVERS
400133280	DEVIATED DRILLING PLAN

Total Attach: 6 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>

Total: 0 comment(s)