

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:

400157316

Plugging Bond Surety

3. Name of Operator: SOUTHWESTERN ENERGY VENTURES COMPANY LLC

4. COGCC Operator Number: 10328

5. Address: PO BOX 1056

City: BAYFIELD State: CO Zip: 81122

6. Contact Name: Will Vaughan Phone: (970)946-2494 Fax: ()

Email: will@pinnacleland.biz

7. Well Name: Thomas Well Number: 5

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

9. Proposed Total Measured Depth: 3335

WELL LOCATION INFORMATION

10. QtrQtr: 20 Sec: 4 Twp: 9S Rng: 104W Meridian: 6

Latitude: 39.305440 Longitude: -108.997950

Footage at Surface: 3173 feet FNL/FSL 847 feet FEL/FWL
FSL FEL

11. Field Name: _____ Field Number: _____

12. Ground Elevation: 4938 13. County: MESA

14. GPS Data:

Date of Measurement: 11/05/2010 PDOP Reading: 2.6 Instrument Operator's Name: David Alexander Johnson

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: 700 ft

18. Distance to nearest property line: 1 mi 19. Distance to nearest well permitted/completed in the same formation: 1 mi

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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Entrada | ENRD | | | |
| Morrison | MRSN | | | |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC65155

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):
Please see attached description.

25. Distance to Nearest Mineral Lease Line: 847 26. Total Acres in Lease: 1855

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 | 9+7/8 | 7 | 20 | 0 | 340 | 130 | 340 | 0 |
| 1ST | 6+1/4 | 4+1/2 | 10.5 | 340 | 3,335 | 125 | 3,335 | 1,902 |

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

33. Comments It is the intent of the operator to cement the production casing to 500' above the Dakota formation. No conductor string 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: Will

Title: Vaughan Date: 4/25/2011 Email: will@pinnacleland.biz

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

05

Permit Number: _____ Expiration Date: _____

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 |
|-------------|-------------------------|
| 400157316 | FORM 2 SUBMITTED |
| 400157319 | WELL LOCATION PLAT |
| 400157322 | FED. DRILLING PERMIT |
| 400157519 | LEGAL/LEASE DESCRIPTION |

Total Attach: 4 Files

General Comments

| User Group | Comment | Comment Date |
|------------|---------|--------------|
| | | |

Total: 0 comment(s)

BMP

| Type | Comment |
|------|---------|
| | |

Total: 0 comment(s)