

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: Fee State Federal Indian Lease #: 1235.10
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 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):
All of Section 16, T3N, R63W, 6th P.M.
25. Distance to Nearest Mineral Lease Line: 460 ft 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: evaporation/backfill
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	20		0	40			
SURF	16	13+3/8	54.5	0	800	350	800	0
1ST	12+1/4	9+5/8	40	0	6,756	1,350	6,756	0
2ND	7+7/8	5+1/2	20	0	12,470	760	12,470	5,765

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments The French Lake 3-63-16-1A is one of two horizontal wells (French Lake 3-63-16-1B) to be permitted in this section. However, Marathon intends to only drill one of these wells. There are no visible improvements within 400' of wellhead.

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: Anna Walls
Title: Regulatory Compliance Rep Date: 4/1/2011 Email: avwalls@marathonoil.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: 5/17/2011
Permit Number: _____ Expiration Date: 5/16/2013

API NUMBER

05 123 33539 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.

- 1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@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) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
2111678	SURFACE CASING CHECK
400142908	FORM 2 SUBMITTED
400150216	DEVIATED DRILLING PLAN
400150217	EXCEPTION LOC REQUEST
400150219	EXCEPTION LOC WAIVERS
400150220	PLAT

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	The permit should have a waiver for being outside the window, not twinning since there is no well to twin. Tim Kelly signed the twinning waiver so he is aware of the surface location.	4/5/2011 5:12:26 PM
Permit	Back to draft for several attachments won't open. sf	4/4/2011 3:59:43 PM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)