


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:			Document Number: <div style="text-align: center;">400134600</div> Plugging Bond Surety <div style="text-align: center;">20050105</div>				
1. <input checked="" type="checkbox"/> Drill, <input type="checkbox"/> Deepen, <input type="checkbox"/> Re-enter, <input type="checkbox"/> Recomplete and Operate							
2. TYPE OF WELL OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input checked="" type="checkbox"/>		Refiling <input checked="" type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>ST. JAMES ENERGY OPERATING INC</u>		4. COGCC Operator Number: <u>10131</u>					
5. Address: <u>11177 EAGLE VIEW DR STE 1</u> City: <u>SANDY</u> State: <u>UT</u> Zip: <u>84092</u>							
6. Contact Name: <u>Kent Moore</u> Phone: <u>(970)301-0291</u> Fax: <u>(970)378-8623</u> Email: <u>nick.callaway@lra-inc.com</u>							
7. Well Name: <u>Dyer</u>		Well Number: <u>2-2</u>					
8. Unit Name (if appl): _____		Unit Number: _____					
9. Proposed Total Measured Depth: <u>7300</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>SWNW</u> Sec: <u>2</u> Twp: <u>6N</u> Rng: <u>64W</u> Meridian: <u>6</u> Latitude: <u>40.517110</u> Longitude: <u>-104.524280</u>							
Footage at Surface: <u>1982</u> feet FNL/FSL <u>FNL</u> <u>680</u> feet FEL/FWL <u>FWL</u>							
11. Field Name: <u>Wattenberg</u>		Field Number: <u>90750</u>					
12. Ground Elevation: <u>4791</u>		13. County: <u>WELD</u>					
14. GPS Data: Date of Measurement: <u>05/29/2008</u> PDOP Reading: <u>1.9</u> Instrument Operator's Name: <u>J. Rhoten</u>							
15. If well is <input type="checkbox"/> Directional <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
17. Distance to the nearest building, public road, above ground utility or railroad: <u>525 ft</u>							
18. Distance to nearest property line: <u>680 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>1390 ft</u>							
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.)			
Codell	CODL	407-87	80	W/2NW4			
Niobrara	NBRR	407-87	80	W/2NW4			

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#: 20070026

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):
See attached map

25. Distance to Nearest Mineral Lease Line: 640 ft 26. Total Acres in Lease: 240

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	830	565	830	0
1ST	7+7/8	4+1/2	11.6	0	7,300	760	7,300	0

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

33. Comments No conductor casing will be set

34. Location ID: 302470

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: Dan Hull

Title: Project Manager Date: 4/19/2011 Email: dan.hull@lra-inc.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: 5/19/2011

API NUMBER

05 123 29187 00

Permit Number: _____ Expiration Date: 5/18/2013

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 Bo Brown at 970-397-4124 or e-mail at bo.brown@state.co.us.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara.

Attachment Check List

Att Doc Num	Name
1771007	SURFACE CASING CHECK
400134600	FORM 2 SUBMITTED
400151848	WELL LOCATION PLAT
400156020	LEASE MAP

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Bmp not added to tab, back to draft	4/22/2011 9:11:12 AM
Permit	Back to draft for BMP's to be add to tab; formation code corrections, and location ID missing. sf	4/20/2011 2:21:36 PM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	All casing will be cemented to surface.

Total: 1 comment(s)