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| 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 |  | DE ET OE ES |
|---|---|---|----------------------|

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:
 400159702
 Plugging Bond Surety

3. Name of Operator: QUICKSILVER RESOURCES INC 4. COGCC Operator Number: 10255
 5. Address: 801 CHERRY ST - #3700 UNIT 19
 City: FT WORTH State: TX Zip: 76102
 6. Contact Name: LISA SMITH Phone: (303)857-9999 Fax: (303)450-9200
 Email: lspermitco@aol.com
 7. Well Name: K-Diamond Federal Well Number: 21-21
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 7000

WELL LOCATION INFORMATION

10. QtrQtr: NE NW Sec: 21 Twp: 6N Rng: 92W Meridian: 6
 Latitude: 40.461783 Longitude: -107.727072
 Footage at Surface: 651 feet FNL/FSL 2047 feet FEL/FWL
 FNL FWL
 11. Field Name: Wildcat Field Number: 99999
 12. Ground Elevation: 6310 13. County: MOFFAT

14. GPS Data:
 Date of Measurement: 04/21/2011 PDOP Reading: 2.2 Instrument Operator's Name: McCoy Anderson

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: 5280 ft
 18. Distance to nearest property line: 651 ft 19. Distance to nearest well permitted/completed in the same formation: 3013 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 | NBRR | | | |

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: Fee State Federal Indian Lease #: COC-64882
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):
T6N - R92W Section 19: Lots 6-8, SENW, E2SW, Section 20: SW, Section 21: NWNE, E2NW, NESE, Section: 22 SWNW, Section:28 N2NE, S2SW, SE Section 29: All, Section 32: NW, N/2 SW
25. Distance to Nearest Mineral Lease Line: 601 26. Total Acres in Lease: 1635

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 | 40 | 0 | 40 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1,200 | 500 | 1,200 | 0 |
| 1ST | 8+3/4 | 7 | 26 | 0 | 5,600 | 650 | 5,600 | 1,000 |
| 2ND | 6+1/8 | 4+1/2 | 11.6 | 2600 | 7,000 | 355 | 5,600 | 2,600 |

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments 5000 psi, DV Packer @ 5600'

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: LISA SMITH
Title: President Date: 4/29/2011 Email: lspermitco@aol.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: 6/10/2011

API NUMBER: **05 081 07656 00** Permit Number: _____ Expiration Date: 6/9/2013

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.) THE 7" CASING MUST RUN ALL THE WAY TO SURFACE TO PROTECT PROBABLE SHALLOW AQUIFERS AND PROVIDE BRH ACCESS FOR MONITORING PURPOSES.

1. BOTH 7" AND 4 1/2" CASINGS CEMENT TOPS VERIFICATION BY CBL REQUIRED.

2. THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 0 FEET DEEP.

Attachment Check List

| Att Doc Num | Name |
|-------------|----------------------|
| 400159702 | FORM 2 SUBMITTED |
| 400160586 | WELL LOCATION PLAT |
| 400165760 | SURFACE AGRMT/SURETY |

Total Attach: 3 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|--------------------------|
| Permit | Operator has corrected all deficiencies and the permitting portion of the permit has passed | 5/17/2011 4:46:36 PM |
| Permit | Back to draft for SUA attachment. sf | 5/17/2011 10:59:16 AM |
| Permit | Needs SUA attached. sf | 5/3/2011 10:43:18 AM |
| Permit | Returned to draft for the following reasons Commingle information was left blank Plugging bond information included | 5/2/2011 10:23:21 AM |

Total: 4 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|-------------|----------------|
| | |

Total: 0 comment(s)