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Document Number:
 400165699
 Plugging Bond Surety
 2009133

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL
 OIL GAS COALBED OTHER _____
 SINGLE ZONE MULTIPLE COMMINGLE

Refiling
 Sidetrack

3. Name of Operator: MINERAL RESOURCES, INC. 4. COGCC Operator Number: 57667
 5. Address: PO BOX 328
 City: GREELEY State: CO Zip: 80632
 6. Contact Name: Collin Richardson Phone: (970)352-9446 Fax: (800)850-9334
 Email: collin@mineralresourcesinc.com
 7. Well Name: Westfork Well Number: 1-1-22
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 8600

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 22 Twp: 5N Rng: 66W Meridian: 6
 Latitude: 40.384350 Longitude: -104.764860
 Footage at Surface: 2388 feet FNL/FSL 2409 feet FEL/FWL FEL
 11. Field Name: Wattenberg Field Number: 90750
 12. Ground Elevation: 4806 13. County: WELD

14. GPS Data:
 Date of Measurement: 04/29/2011 PDOP Reading: 1.4 Instrument Operator's Name: Z. Waddle

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 _____
660 FNL 654 FWL 660 FNL 654 FWL
 Sec: 22 Twp: 5N Rng: 66W Sec: 22 Twp: 5N 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: 316 ft
 18. Distance to nearest property line: 197 ft 19. Distance to nearest well permitted/completed in the same formation: 662 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| J Sand | JSND | Unspaced | 160 | NW/4 |
| Niobrara-Codell | NB-CD | 407-87 | 160 | NW/4 |

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#: _____
 23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If H2S 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):

N/2 of Section 22, Township 5 North, Range 66 West, 6th PM, County of Weld, State of Colorado.

25. Distance to Nearest Mineral Lease Line: 654 26. Total Acres in Lease: 320

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+5/8 | 8+5/8 | 24 | 0 | 500 | 300 | 500 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,600 | 284 | 8,600 | 7,463 |

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

33. Comments No conductor casing will be set.

34. Location ID: 423341

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: Senior Project Manager Date: _____ 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: _____ 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.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400174024 | OIL & GAS LEASE |
| 400174025 | OIL & GAS LEASE |
| 400174026 | SURFACE AGRMT/SURETY |
| 400174027 | WELL LOCATION PLAT |
| 400175598 | DEVIATED DRILLING PLAN |

Total Attach: 5 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> |
|--------------------------------|--|
| Drilling/Completion Operations | Closed loop system will be used for drilling fluids. |

Total: 1 comment(s)