


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
DE	ET	OE	ES				
APPLICATION FOR PERMIT TO:			Document Number: 400166453 Plugging Bond Surety 20060105				
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 <input type="checkbox"/> AND GAS _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> COMMINGLE ZONE <input checked="" type="checkbox"/>		Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>					
3. Name of Operator: <u>APOLLO OPERATING LLC</u>		4. COGCC Operator Number: <u>10051</u>					
5. Address: <u>1538 WAZEE ST STE 200</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>							
6. Contact Name: <u>TANYA CARPIO</u> Phone: <u>(303)830-0888 X.</u> Fax: <u>(303)830-2818</u> Email: <u>TCARPIO@APOLLOOPERATING.COM</u>							
7. Well Name: <u>MARKHAM FAMILY FARMS</u>		Well Number: <u>35-32</u>					
8. Unit Name (if appl): _____		Unit Number: _____					
9. Proposed Total Measured Depth: <u>7650</u>							
WELL LOCATION INFORMATION							
10. QtrQtr: <u>NESW</u> Sec: <u>32</u> Twp: <u>4N</u> Rng: <u>68W</u> Meridian: <u>6</u> Latitude: <u>40.266050</u> Longitude: <u>-105.031540</u>							
Footage at Surface: <u>1431</u> feet FNL/FSL <u>FSL</u> <u>1420</u> feet FEL/FWL <u>FWL</u>							
11. Field Name: <u>WATTENBERG</u>		Field Number: <u>90750</u>					
12. Ground Elevation: <u>5038</u>		13. County: <u>WELD</u>					
14. GPS Data: Date of Measurement: <u>04/21/2011</u> PDOP Reading: <u>1.4</u> Instrument Operator's Name: <u>ADAM KELLY</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>755 ft</u>							
18. Distance to nearest property line: <u>694 ft</u> 19. Distance to nearest well permitted/completed in the same formation: <u>1974 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.)			
NIOBRARA-CODELL	NB-CD	407	160	SW/4			

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#: _____

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):
SEE ATTACHED MINERAL LEASE DESCRIPTION AND MINERAL LEASE MAP.

25. Distance to Nearest Mineral Lease Line: _____ 694 ft _____ 26. Total Acres in Lease: _____ 250 _____

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: Closed Loop System

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	650	275	650	
1ST	7+7/8	4+1/2	11.6	0	7,650	525	7,650	3,000

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

33. Comments NO CONDUCTOR 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: TANYA CARPIO

Title: OFFICE MANAGER Date: 5/18/2011 Email: TCARPIO@APOLLOOPERATI

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: 7/5/2011

API NUMBER

05 123 33873 00

Permit Number: _____ Expiration Date: 7/4/2013

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) Note surface casing setting depth change from 400' to 650'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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
1694105	LEASE MAP
1771151	SURFACE CASING CHECK
400166453	FORM 2 SUBMITTED
400166463	WELL LOCATION PLAT
400166465	MINERAL LEASE MAP
400166466	LEGAL/LEASE DESCRIPTION

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed unit acreage from 40 to 160 and unit configuration from E/2SW/4 to SW/4 per operator.	6/3/2011 10:55:07 AM
Permit	Added corrected Mineral Lease Map. Requesting change of the unit acreage to 160 and unit config to SW/4.	6/3/2011 9:47:40 AM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)