

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

Document Number:
2505588
PluggingBond SuretyID
20060159

3. Name of Operator: BLACK RAVEN ENERGY INC 4. COGCC Operator Number: 10203

5. Address: 1331 17TH STREET - #350
City: DENVER State: CO Zip: 80202

6. Contact Name: DAVID KUNOVIC Phone: (303)308-1330 Fax: (303)308-1590
Email: DKUNOVIC@BLACKRAVENENERGY.COM

7. Well Name: HOUGH, R.M. Well Number: B-4

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 5635

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 7 Twp: 1N Rng: 57W Meridian: 6
Latitude: 40.066860 Longitude: -103.798470

Footage at Surface: 2303 feet FNL/FSL FNL 1635 feet FEL/FWL FEL

11. Field Name: ADENA Field Number: 700

12. Ground Elevation: 4484 13. County: MORGAN

14. GPS Data:

Date of Measurement: 08/30/2011 PDOP Reading: 1.4 Instrument Operator's Name: SCOTT RITGER

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: 1350 ft

18. Distance to nearest property line: 2310 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1293 ft

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.)
D SAND	DSND	26-1	40	SWNE

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#: 20110164

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):

N/2NW/4, NE/4, N/2SE/4 SECTION 7 T1N R57W 6TH MERIDIAN

25. Distance to Nearest Mineral Lease Line: 1005 ft

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: NO MUD WILL BE USED

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		8+5/8	24	0	104	65	104	0
1ST	7+7/8	5+1/2	15.5	0	5,631	275	5,631	

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

33. Comments WELL IS DRILLED, CASED AND COMPLETED IN THE J SAND. PLAN TO SET CIBP TO ISOLATE THE J-SAND AND RECOMPLETE TO THE D-SAND.

34. Location ID: 313728

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: DAVID KUNOVIC

Title: VP EXPLORATION

Date: 8/16/2011

Email: DKUNOVIC@

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. Nash

Director of COGCC Date: 9/16/2011

API NUMBER
05 087 05377 00

Permit Number: _____ Expiration Date: 9/15/2013

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.

Attachment Check List

Att Doc Num	Name
2505588	APD ORIGINAL
2505589	WELLBORE DIAGRAM
2506024	SURFACE CASING CHECK

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Black Raven will contact concerned mineral owner about status of leasehold.	9/15/2011 7:03:10 AM
Permit	ON HOLD to respond to mineral owner comment.	9/13/2011 7:13:56 AM
Public	<p>Dear Sir/Madam:</p> <p>My mother is Virginia Roark and she owns mineral rights that are titled in the Raymond H. and Virginia J. Roark Revokable Trust and her mineral rights are in this permit application area of the Hough R.M. B-4 D Sand SWNE 7 1N 57W.</p> <p>She respectfully requests that she signs a lease for her mineral rights before this permit is approved.No one has approached her to sign a lease and they have not offered her a lease when we have approached them.The previous oil</p> <p>company, Klabzuba Oil had her sign a lease in the Hough A a couple of years ago as she has mineral rights in the Hough A area.She is 86 years old and needs the income.We respectfully request she is offered a lease.Thank you.</p>	9/12/2011 11:35:50 AM
Permit	GPS in the database.	8/31/2011 5:27:19 PM
Permit	GPS on the permit was figured from footage location	8/24/2011 1:41:56 PM
Permit	The deadline was December 2010 to aquire GPS locations on all current wells. This well must be located with GPS techniques per rule 215.	8/24/2011 1:28:15 PM
Permit	Inserted plugging bond at operators request.	8/24/2011 10:42:13 AM
Permit	Missing plugging bond. Emailed operator for confirmation of plugging ID.	8/24/2011 10:15:30 AM

Total: 8 comment(s)

BMP

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

Total: 0 comment(s)