

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:
1635062

PluggingBond SuretyID
20090053

3. Name of Operator: RUNNING FOXES PETROLEUM INC 4. COGCC Operator Number: 10221

5. Address: 7060 SOUTH TUCSON WAY - STE B
City: CENTENNIAL State: CO Zip: 80112

6. Contact Name: KENT KEPPEL Phone: (720)889-0510 Fax: (303)617-7442
Email: KKEPPEL@ATOKA.COM

7. Well Name: BOWERS Well Number: 5-1 SWD

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

9. Proposed Total Measured Depth: 5200

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 1 Twp: 4S Rng: 54W Meridian: 6
Latitude: 39.732870 Longitude: -103.384570

Footage at Surface: _____ feet FNL/FSL _____ feet FEL/FWL _____ feet

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4979 13. County: WASHINGTON

14. GPS Data:
Date of Measurement: 03/16/2011 PDOP Reading: 1.9 Instrument Operator's Name: ROBERT J RUBINO

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: _____ feet FNL/FSL _____ feet FEL/FWL _____ feet

Bottom Hole: _____ feet FNL/FSL _____ feet FEL/FWL _____ feet

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: 660 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1650 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.)
D & J SAND	DJSND			
NIO-FT HAYS-CODELL	NBFHC			
SUSSEX-SHANNON	SX-SN			

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):

W2, SE4 OF SECTION 1, T4S-R54W (PLUS ADDITIONAL ACREAGE)

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 1360

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: EVAP & BURY

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	9+3/4	7	17	0	620	250	620	0
1ST	6+3/4	4+1/2	10.5	0	5,200	200	5,200	3,400

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

33. Comments #19: BOWERS #1 DA 1994 / 1650' TO SW IN SEC.2 T4S-R54W, NO CONDUCTOR CASING 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: KENT KEPPEL

Title: LANDMAN Date: 4/2/2011 Email: KKEPPEL@ATOKA.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. Nashin Director of COGCC Date: 9/25/2011

API NUMBER

05 121 11013 00

Permit Number: _____ Expiration Date: 9/24/2013

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 350' to 620'. Increase cement coverage accordingly and cement to surface.
- 2) Provide 24 hr notice of spud to Colby Horton at 970-467-2517 or e-mail at colby.horton@state.co.us.
- 3) Niobrara is an objective formation. Increase cement to 200' above Niobrara if potentially productive. Provide cement coverage from 200' below Shannon to 200' above the Sussex if productive. Verify coverage with cement bond log. Verify coverage with cement bond log.
- 4) If dry hole, set 60 sks cement from 50' below D Sand base to 100' above D Sand top, 40 sks cement 50' above Niobrara top, 50 sks cement ½ out, ½ in surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.
- NOTE: APPROVAL OF THIS PERMIT REPRESENTS AUTHORIZATION TO DRILL ONLY. Authorization to inject obtained via separate approval of Forms 31 and 33.

Attachment Check List

Att Doc Num	Name
1635062	FORM 2 SUBMITTED
1635063	WELL LOCATION PLAT
1635064	TOPO MAP
1635065	MINERAL LEASE MAP
1635066	30 DAY NOTICE LETTER
1771221	SURFACE CASING CHECK

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Engineer	Received Forms 31 and 33 September 2, 2011.	9/23/2011 10:36:35 AM
Permit	COGCC permitting staff has indicated that the injection permits have not yet been recieved.	7/25/2011 2:23:48 PM
Permit	Running Foxes needs to be in full compliance with all issues as discussed on 5/11/11 meeting with COGCC. BY	7/5/2011 9:27:13 AM
Permit	Operator must submit a valid injection permit prior to drilling permit approval.	5/20/2011 8:49:29 AM
Permit	This is a SWD well. Should be reviewed by OGCC water disposal staff.	4/19/2011 2:00:25 PM
Permit	Inserted plugging boind as per Mr Keppel. sf	4/19/2011 8:52:15 AM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)