

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



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Document Number:

400187490

PluggingBond SuretyID

20090133

#### 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: Ditch Well Number: 5-1-2

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 8071

#### WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 2 Twp: 5N Rng: 66W Meridian: 6

Latitude: 40.431460 Longitude: -104.739280

Footage at Surface: 2162 feet FNL/FSL FNL 1193 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4698 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 698 FNL 2050 FEL FEL Bottom Hole: FNL/FSL 698 FNL 2050 FEL FEL  
Sec: 2 Twp: 5N Rng: 66W Sec: 2 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: 338 ft

18. Distance to nearest property line: 227 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3341 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.)
J Sand	JSND	Unspaced	160	NE/4
Niobrara-Codell	NB-CD	407-87	160	NE/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 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 oil and gas lease map.

25. Distance to Nearest Mineral Lease Line: 698 ft

26. Total Acres in Lease: 51

### 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+1/4	8+5/8	24	0	440	264	440	0
1ST	7+7/8	4+1/2	11.6	0	8,071	328	8,071	6,760

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

33. Comments No conductor casing will be set.

34. Location ID: 423325

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: 10/7/2011 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
400187490	FORM 2 SUBMITTED
400211837	SURFACE AGRMT/SURETY
400211839	DEVIATED DRILLING PLAN
400211840	OIL & GAS LEASE
400211841	LEASE MAP
400211843	EXCEPTION LOC REQUEST
400212852	WELL LOCATION PLAT

Total Attach: 7 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	A closed loop system will be used for drilling fluids.

Total: 1 comment(s)