

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:
400214325

PluggingBond SuretyID
20110173

3. Name of Operator: AUBURN OPERATING COMPANY LLC 4. COGCC Operator Number: 10385

5. Address: PO BOX 50203
City: MIDLAND State: TX Zip: 79710

6. Contact Name: Kallasandra Moran Phone: (303)928-7128 Fax: (303)962-6237
Email: kmoran@petro-fs.com

7. Well Name: Stum Well Number: 06-0715

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

9. Proposed Total Measured Depth: 7950

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 7 Twp: 11S Rng: 55W Meridian: 6
Latitude: 39.105406 Longitude: -103.602960

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

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5368 13. County: LINCOLN

14. GPS Data:
Date of Measurement: 10/02/2011 PDOP Reading: 2.0 Instrument Operator's Name: Ben Milius / PFS

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: 1952 ft

18. Distance to nearest property line: 1980 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3 mi

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.)
Atoka	ATOK			
Cherokee	CHRK			
Morrow	MRRW			

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):

E/2 Sec. 7, T11S-R55W (320 Acres) AND Lots 1,2,3,4 & E/2W/2 Sec. 7, T11S-R55W (319.8 Acres)

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 640

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	9+5/8	36	0	500	300	500	0
1ST	8+3/4	7	29	0	7,950	750	7,950	5,000
S.C. 1.1							4,800	3,900

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

33. Comments Nearest well permitted or drilled in same formation is the Mahalo # 1 (05-073-06438), formation is Atok and is listed as drilled and abandoned. Well is 3.58 miles from proposed Stum 06-0715 well. No conductor casing will be set.

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: Kallasandra M. Moran

Title: Regulatory Manager Date: 10/12/2011 Email: kmoran@petro-fs.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. Nesline Director of COGCC Date: 10/21/2011

API NUMBER

05 073 06461 00

Permit Number: _____ Expiration Date: 10/20/2013

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) Provide 24 hour notice of MIRU to Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.
- 2) If production casing is set provide cement coverage to at least 200' above the shallowest completed interval or Cherokee, whichever is shallower and stage cement Cheyenne/Dakota (4800'-3900' minimum). Run and submit CBL to verify cemented intervals.
- 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the Cherokee, 40 sks cement across any DST w/ show, 40 sks cement 100' below Cheyenne (4800' up), 40 sks cement 50' above top of Dakota (3900' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Attachment Check List

Att Doc Num	Name
1792329	CORRESPONDENCE
1792341	VARIANCE REQUEST
400214325	FORM 2 SUBMITTED
400214334	30 DAY NOTICE LETTER
400214335	LGD CONSULTATION
400214336	SURFACE OWNER CONSENT
400214337	CONSULT NOTICE
400214338	TOPO MAP
400214339	PLAT

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Received 1A for Kallashandra Moran. BY	10/18/2011 2:09:59 PM
Permit	Requested that Frank Gentry either put his name as contact information or supply a 1A that lists Kallasandra Moran as a designated agent. BY	10/13/2011 10:35:41 AM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Site Specific	<p>Fence the well site after drilling to restrict public and wildlife access.</p> <p>Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris.</p> <p>Spray for noxious weeds, and implement dust control, as needed.</p> <p>Auburn Operating Company, LLC will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land.</p> <p>Construct and maintain gates where any roads used by Auburn Operating Company, LLC cross through fences on the leased premises.</p>
Planning	<p>When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.</p>
Final Reclamation	<p>All surface restoration shall be accomplished to the satisfaction of Owner.</p> <p>All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.</p> <p>Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).</p>
Storm Water/Erosion Control	<p>Use water bars, and other measures to prevent erosion and non-source pollution.</p> <p>Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation.</p> <p>Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).</p>
Construction	<p>Remove only the minimum amount of vegetation necessary for the construction of roads and facilities.</p> <p>Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation.</p> <p>No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.</p>
Interim Reclamation	<p>Utilize only such area around each producing well as is reasonably necessary.</p> <p>Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations.</p> <p>All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.</p>

Total: 6 comment(s)