

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:
400216894

PluggingBond SuretyID
19960120

3. Name of Operator: ROSEWOOD RESOURCES INC 4. COGCC Operator Number: 75027

5. Address: 2101 CEDAR SPRINGS RD STE 1500
City: DALLAS State: TX Zip: 75201

6. Contact Name: Sherri Wilson Phone: (214)849-9333 Fax: (214)849-9333
Email: swilson@rosewd.com

7. Well Name: Monk Well Number: 42-07

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

9. Proposed Total Measured Depth: 3100

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 7 Twp: 4N Rng: 46W Meridian: 6
Latitude: 40.330600 Longitude: -102.549160

Footage at Surface: _____ feet FNL/FSL _____ feet FEL/FWL _____ feet
Footage at Surface: 2052 feet FNL 597 feet FEL _____ feet

11. Field Name: Waverly Field Number: 90775

12. Ground Elevation: 3904 13. County: YUMA

14. GPS Data:
Date of Measurement: 08/11/2011 PDOP Reading: 1.5 Instrument Operator's Name: E. Johnson

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: 201 ft

18. Distance to nearest property line: 597 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1115 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.)
Niobrara	NBRR	328-5	160	NE

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

25. Distance to Nearest Mineral Lease Line: 597 ft 26. Total Acres in Lease: 1605

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: Evaporation and burial.

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+7/8	7	14	0	450	260	450	0
1ST	6+1/4	4+1/2	10.5	0	3,100	350	3,100	0

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

33. Comments 1. Height of ADT Rig #114 is 75'2. Sensitive area due to location in Northern High Plains Designated Groundwater Basin3. No conductor casing will be set4. Railroad is located more than 5280' away (about 15 miles south of location - Burlington Northern Santa Fe)5. Nearest surface water is located 106' away (Rock Creek)6. Reference area is located adjacent to and on undisturbed ground west of the proposed well location as depicted on the reference map. Location photos are reference area photos.

34. Location ID: 311054

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: Sherri Wilson

Title: GIS Analyst Date: 10/23/2011 Email: swilson@rosewd.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. Nash Director of COGCC Date: 11/27/2011

API NUMBER
05 125 11447 00

Permit Number: _____ Expiration Date: 11/26/2013

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 hr notice of spud to Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.
- 2) Set at least 450' of surface casing due to WW depths w/in 1 mile. Cement to surface.
- 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) If dry hole, set 35 sks cement 50' above Niobrara top, 35 sks cement ½ out, ½ in surface casing, 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

Attachment Check List

Att Doc Num	Name
400216894	FORM 2 SUBMITTED
400217241	PLAT
400217242	TOPO MAP
400217243	30 DAY NOTICE LETTER
400217244	SURFACE OWNER CONSENT
400217245	SURFACE AGRMT/SURETY
400217246	OIL & GAS LEASE

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review passed 11/22/2011 NKP	11/22/2011 8:17:37 AM
Permit	Per S. Wilson 11/21/2011 Distance to nearest permitted well should be 1,115 feet.	11/21/2011 4:35:44 PM
Permit	Proposed new TD is 3100, previously 3000. Mud disposal changed to evaporation and burial per OGLA and opr. Email to opr to verify distance to nearest producing well. 11/17/2011 NKP	11/17/2011 5:46:51 PM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)