

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



Document Number:

1719379

Date Received:

03/11/2011

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

PluggingBond SuretyID

20100219

3. Name of Operator: NOLTE* C J LLC

4. COGCC Operator Number: 10357

5. Address: 8713 GARRISON COURT

City: ARVADA State: CO Zip: 80005

6. Contact Name: CLIFF NOLTE Phone: (303)420-7971 Fax: ()

Email: CJNOLTE@COMCAST.NET

7. Well Name: COTTONWOOD GRAZING Well Number: 3-22

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

9. Proposed Total Measured Depth: 6550

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 22 Twp: 12S Rng: 52W Meridian: 6

Latitude: 38.981850 Longitude: -103.215410

Footage at Surface: 660 feet FSL 880 feet FWL

11. Field Name: _____ Field Number: _____

12. Ground Elevation: 4839.52 13. County: LINCOLN

14. GPS Data:

Date of Measurement: 03/10/2011 PDOP Reading: 2.8 Instrument Operator's Name: ELIJAH FRANE

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: 880 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1 mi

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.)
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):

SW/4 SW/4 SEC 22-12S-52W, 6TH PRINCIPAL MERIDIAN

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	8+5/8	24	0	450	250	450	0
1ST	7+7/8	5+1/2	15.5	0	6,550	215	5,436	5,550
	7+7/8	5+1/2	Stage Tool	0	3,400	150	3,400	2,700

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

33. Comments REFERENCE AREA WILL BE LAND ADJACENT TO THE LOCATION FOR RECLAMATION PURPOSES. THE PAD HAS BEEN BUILT. THE PITS HAVE BEEN CONSTRUCTED. THE LOCATION WILL NOT REQUIRE ANY EXPANSION/ADDITIONAL SURFACE DISTURBANCE OF EXISTING PAD. THE LOCATION DOES NOT REQUIRE ANY VARIANCE FROM ANY THE RULES LISTED IN RULE 306 d.(1).(A).(II). THE LOCATION IS NOT IN A WILDLIFE RESTRICTED SURFACE OCCUPANY AREA.

34. Location ID: 421567

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: CLIFF NOLTE

Title: MANAGER Date: 3/11/2011 Email: CJNOLTE@COMCAST.NET

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. Neslin Director of COGCC Date: 3/11/2011

API NUMBER

05 073 06444 00

Permit Number: _____ Expiration Date: 3/10/2013

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 shallowest completed interval and stage cement Cheyenne/Dakota interval (3400'-2700' minimum). Run and submit CBL to verify all cemented intervals.
- 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the Morrow, 40 sks cement across any DST w/ show, 40 sks cement 50' below Cheyenne (3400' up), 40 sks cement 50' above top of Dakota (2700' 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
1719379	APD ORIGINAL
2111144	WAIVERS
2111145	OTHER
2586542	WELL LOCATION PLAT
2586543	SURFACE AGRMT/SURETY

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED- JLV	3/25/2011 8:23:37 AM
Permit	Attached the Surface Agreement and Well Plat. JLV	3/25/2011 8:23:28 AM
Permit	Surface Agreement is in place for the location and a verbal waiver was received from Mrs. Schifferns (Cottonwood Grazing) to P. Garrison (COGCC) on 3/11/2011. JLV	3/25/2011 8:19:19 AM
Permit	SUA is not attached as indicated, needs casing top, no plat, exigent circumstances marked as per letter request. BY	3/21/2011 8:09:51 AM
Data Entry	CHECK STRING: STAGE DV TOOL. API NUMBER NOT DATA ENTERED PER WARNING FLAG NO TO DATA ENTER THE API #.	3/18/2011 1:28:41 PM

Total: 5 comment(s)

BMP

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

Total: 0 comment(s)