

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:

400256142

Date Received:

03/17/2012

PluggingBond SuretyID

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: SG INTERESTS I LTD

4. COGCC Operator Number: 77330

5. Address: PO BOX 26

City: MONTROSE State: CO Zip: 81402

6. Contact Name: Catherine Dickert Phone: (970)2096464 Fax: (970)2520636

Email: cdickert@sginterests.com

7. Well Name: Federal 11-90-9

Well Number: #3

8. Unit Name (if appl): NA

Unit Number: NA

9. Proposed Total Measured Depth: 13500

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 9 Twp: 11S Rng: 90W Meridian: 6

Latitude: 39.116830

Longitude: -107.458250

Footage at Surface: 1764 feet FNL/FSL 1027 feet FEL/FWL  
FNL FWL

11. Field Name: Wildcat

Field Number: 99999

12. Ground Elevation: 7678.7

13. County: GUNNISON

14. GPS Data:

Date of Measurement: 10/31/2011 PDOP Reading: 1.5 Instrument Operator's Name: David Nicewicz

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

Footage at Top of Prod Zone: FNL/FSL FNL/FWL Bottom Hole: FNL/FSL FNL/FWL  
1359 FNL 1635 FWL 209 FNL 1043 FEL  
Sec: 9 Twp: 11s Rng: 90w Sec: 16 Twp: 11S Rng: 90W

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: 5050 ft

18. Distance to nearest property line: 1450 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 13200 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.)
Cozzette Corcoran	CZ-CR	431-2	160	N2, SW
Mancos	MNCS	NA		NA

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC13483

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 lease map.

25. Distance to Nearest Mineral Lease Line: 209 ft 26. Total Acres in Lease: 1866

### 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
CONDUCTOR	26	20	106.5	0	80	100	80	0
SURF	16	13+3/8	54.5	0	400	260	400	0
1ST	12+1/8	9+5/8	40	0	5,500	1,280	5,500	0
2ND	8+1/2	7	29	5300	9,074	355	9,074	5,300
1ST LINER	6+1/8	4+1/2	13.5	8100	12,727	235	12,727	8,100

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

33. Comments \_\_\_\_\_

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: Catherine Dickert

Title: Env & Permit Manager Date: 3/17/2012 Email: cdickert@sginterests.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
400256142	FORM 2 SUBMITTED
400256180	WELL LOCATION PLAT
400256181	WELL LOCATION PLAT
400256187	DEVIATED DRILLING PLAN
400256188	DEVIATED DRILLING PLAN
400260465	DIRECTIONAL DATA
400261017	TOPO MAP
400264001	LEASE MAP

Total Attach: 8 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>

Total: 0 comment(s)