

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:

400236823

Date Received:

01/01/2012

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

3. Name of Operator: GENESIS GAS & OIL LLC

4. COGCC Operator Number: 10132

5. Address: 1701 WALNUT STREET - 4TH FL

City: KANSAS CITY State: MO Zip: 64108

6. Contact Name: Robert C. Behner Phone: (816)222-7500 Fax: (816)222-7501

Email: BBEHNER@GENESISGO.COM

7. Well Name: Fletcher Gulch Well Number: 10-12

8. Unit Name (if appl): Fletcher Gulch Unit Number: COC-68958X

9. Proposed Total Measured Depth: 2465

WELL LOCATION INFORMATION

10. QtrQtr: lot 4 Sec: 10 Twp: 1N Rng: 100W Meridian: 6

Latitude: 40.074367 Longitude: -108.608603

Footage at Surface: 1156 feet FNL/FSL FNL 1174 feet FEL/FWL FWL

11. Field Name: Fletcher Gulch Field Number: 24062

12. Ground Elevation: 6252.3 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 09/03/2008 PDOP Reading: 2.4 Instrument Operator's Name: Chris Hamilton

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: 2824 ft

18. Distance to nearest property line: 1125 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1913 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.)
Williams Fork Coals	WMFKC			

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):

sec 3 T1N R100W lots 5-20; and sec 10 T1N R100W lots 1-16

25. Distance to Nearest Mineral Lease Line: 1174 ft

26. Total Acres in Lease: 1279

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: Bury Pit

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	500	200	500	0
1ST	7+7/8	5+1/2	15.5	0	2,465	230	2,465	0

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

33. Comments A conductor casing will not be used. There are no improvements within 400' of subject location, other than the noted pad access

34. Location ID: 413669

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: Sheryl M. Little-Myers

Title: Agent Date: 1/1/2012 Email: Sheryl@MyersEnergyServices.

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: 3/27/2012

API NUMBER Permit Number: _____ Expiration Date: 3/26/2014

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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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400236823	FORM 2 SUBMITTED
400236856	WELL LOCATION PLAT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD/public comments waived. Final Comprehensive Review Status--passed	3/26/2012 3:14:09 PM
Permit	removed unit acreage, added field name & code. ready to approve in permitting.	1/23/2012 1:04:30 PM
Permit	Operator answered #36, 22a, and corrected QtrQtr. This form has passed completeness.	1/20/2012 10:34:45 AM
Permit	Returned to draft. #36 is missing.	1/20/2012 9:21:45 AM
Permit	Returned to draft. #36 is missing.	1/20/2012 6:23:47 AM
Permit	Returned to draft. #36 is missing.	1/19/2012 7:37:06 AM
Permit	Returned to draft. Lat long does not match SHL. Missing #22a and #36. QtrQtr should read lot 4.	1/3/2012 8:41:19 AM

Total: 7 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
General Housekeeping	Gold Book Standards, On Shore Order 1, and WRFO 2010 Surface Reclamation Protocol will be followed during all phases of the life of this location, as appropriate. Potential water and erosion will be considered, and those exposures will be defended. Noxious weed invasions will be avoided. Surface disturbances, other than as outlined in the subject APD package, will be avoided.

Total: 1 comment(s)