

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

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Document Number:

400265440

Date Received:

03/30/2012

PluggingBond SuretyID

20100083

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER ☐ Pilot Hole ☐
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐Refiling ☐Sidetrack ☐3. Name of Operator: AXIA ENERGY LLC4. COGCC Operator Number: 103355. Address: 1430 LARIMER STREET #400City: DENVER State: CO Zip: 802026. Contact Name: Lisa Smith Phone: (303)857-9999 Fax: (303)450-9200Email: lspermitco@aol.com7. Well Name: Bulldog Well Number: 6-31H-7908. Unit Name (if appl): Unit Number: 9. Proposed Total Measured Depth: 13070

WELL LOCATION INFORMATION

10. QtrQtr: Lot 9 Sec: 6 Twp: 7N Rng: 90W Meridian: 6Latitude: 40.599406 Longitude: -107.533264Footage at Surface: 533 feet FNL/FSL 2441 feet FEL/FWL FEL11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 6464 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 01/25/2012 PDOP Reading: 1.2 Instrument Operator's Name: Bart Hunting15. 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 ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 1814 ft18. Distance to nearest property line: 225 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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.)
Niobrara	NBRR			

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: 22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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):

T7N - R90W: section 6: Lots 8, 9, 14, 15, 16, 17, 22, 23; E2. Section 7: Lots 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15; N2, NE4SW4, N2NSE4.

25. Distance to Nearest Mineral Lease Line: 224 ft

26. Total Acres in Lease: 483

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	20	16	55	0	60	60	60	0
SURF	13+1/2	10+3/4	40.5	0	1,500	545	1,500	0
1ST	9+7/8	7+5/8	29.7	0	9,405	940	9,405	3,000
OPEN HOLE	6+3/4			0	13,070	480	13,070	10,985

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

33. Comments This is a Pilot Hole for informational purposes only and will be plugged back.

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: Lisa Smith

Title: Agent for Axia Date: 3/30/2012 Email: lspermitco@aol.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
400265440	FORM 2 SUBMITTED
400265963	PLAT
400267600	OIL & GAS LEASE
400267601	OIL & GAS LEASE

Total Attach: 4 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)