

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400295543

Date Received:

06/14/2012

PluggingBond SuretyID

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER Lateral
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refilling ☐

Sidetrack ☒

3. Name of Operator: LARAMIE ENERGY II, LLC

4. COGCC Operator Number: 10232

5. Address: 1512 LARIMER ST STE 1000

City: DENVER State: CO Zip: 80202

6. Contact Name: Wayne P Bankert Phone: (970)812-5310 Fax: (303)339-4399

Email: wbankert@laramie-energy.com

7. Well Name: Fletcher Gulch Fed. Well Number: 22-14-22-01H

8. Unit Name (if appl): FG Deep Unit Number: COC75153X

9. Proposed Total Measured Depth: 11943

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 22 Twp: 2N Rng: 100W Meridian: 6

Latitude: 40.121280 Longitude: -108.605890

Footage at Surface: 83 feet FNL/FSL 1913 feet FEL/FWL FWL

11. Field Name: Fletcher Gulch Field Number: 24062

12. Ground Elevation: 6055 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 11/03/2011 PDOP Reading: 2.1 Instrument Operator's Name: Dave Murrey

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

Footage at Top of Prod Zone: FNL/FSL 587 FSL 2180 FWL 100 Bottom Hole: FNL/FSL 677 FEL/FWL FEL
Sec: 22 Twp: 2N Rng: 100 W Sec: 22 Twp: 2N Rng: 100 W

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: 15351 ft

18. Distance to nearest property line: 15900 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 12874 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| MANCOS | MNCS | | | |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC63329

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 22 All; Sec 23 All; NW, S2 Sec 24: T2N R100W 6th

25. Distance to Nearest Mineral Lease Line: 100 ft

26. Total Acres in Lease: 1760

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+0/0 | 16+0/0 | 42.0 | 0 | 40 | 78 | 78 | 0 |
| SURF | 12+1/4 | 9+5/8 | 32.3 | 0 | 1,000 | 320 | 1,000 | 0 |
| 1ST | 8+3/4 | 7+0/0 | 23.0 | 0 | 3,809 | 451 | 3,809 | 800 |
| 2ND | 6+1/4 | 4+1/2 | 13.5 | 0 | 11,948 | 579 | 11,948 | 3,609 |

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

33. Comments DRILLING WILL INNCORPORATE A CLOSED MUD SYSTEM WITH CUTTINGS TRENCH. NO VISIBLE IMPROVEMENTS WITHIN 200' OF WELLHEAD.THIS WELL IS A LATERAL FROM THE FG FED 22-14-22-01 PILOT HOLE WHICH WILL BE PLUGGED BACKTO +/- 5895 AND DRILLED Laterally TO TD.

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: Wayne P. Bankert

Title: Snr. Reg. & Env. Coord.

Date: 6/14/2012

Email: wbankert@laramie-energy.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 7/13/2012

API NUMBER

05 103 11943 01

Permit Number: _____ Expiration Date: 7/12/2014

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) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE TO A MINIMUM OF 200' ABOVE TOP OF GAS [OR OTHER SHALLOWEST-KNOWN PRODUCING HORIZON]. VERIFY CEMENT WITH A CEMENT BOND LOG.

3) PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.

4) 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 |
|-------------|------------------------|
| 400295543 | APD APPROVED |
| 400295732 | WELL LOCATION PLAT |
| 400295736 | FED. DRILLING PERMIT |
| 400295738 | DEVIATED DRILLING PLAN |
| 400295740 | WELLBORE DIAGRAM |
| 400295741 | WELL LOCATION PLAT |
| 400305691 | FORM 2 SUBMITTED |

Total Attach: 7 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | Changed dist. to nearest min. lease to 100' (distance at BHL from BLM lease line). No LGD or public comments. Final Review--passed. | 7/9/2012 10:25:53 AM |
| Permit | Removed plugging bond, added related 2A. | 7/3/2012 8:48:12 AM |

Total: 2 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)