

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:

400313607

Date Received:

08/27/2012

PluggingBond SuretyID

20120088

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: AUS-TEX EXPLORATION INC

4. COGCC Operator Number: 10412

5. Address: 7985 W 16TH AVENUE

City: LAKEWOOD State: CO Zip: 80214

6. Contact Name: JONATHAN RUNGE Phone: (970)669-7411 Fax: (970)669-4077

Email: jrunge@petersonenergy.com

7. Well Name: PATHFINDER Well Number: C 11-12 1HZ

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

9. Proposed Total Measured Depth: 9656

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 12 Twp: 20S Rng: 70W Meridian: 6

Latitude: 38.328794 Longitude: -105.178678

Footage at Surface: 527 feet FNL/FSL FNL 511 feet FEL/FWL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5938 13. County: FREMONT

14. GPS Data:

Date of Measurement: 03/27/2012 PDOP Reading: 1.9 Instrument Operator's Name: Dallas Nielson

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
1154 FNL 818 FWL 577 FSL 2530 FWL
Sec: 12 Twp: 20S Rng: 70W Sec: 12 Twp: 20S Rng: 70W

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: 592 ft

18. Distance to nearest property line: 555 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1240 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 ☐ 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):

Please see attached Exhibit "A"

25. Distance to Nearest Mineral Lease Line: 2385 ft

26. Total Acres in Lease: 10431

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 | LP | 0 | 60 | 5 | 60 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1,200 | 411 | 1,200 | 0 |
| 1ST | 8+3/4 | 7 | 23 | 0 | 5,703 | 720 | 5,703 | 0 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 0 | 9,656 | | | |

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

33. Comments Drilling difficulties has necessitated casing program size constraints that are ineffective for drilling to the S.T. -01 horizontal well bottom hole from the currently drilling approved relevant pilot hole (S.T. -02). Approval obtained by Diana Burn via email on 08/21/12.

34. Location ID: 429093

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: Jonathan Runge

Title: Consultant Date: 8/27/2012 Email: jrunge@petersonenergy.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 |
|-------------|------------------------|
| 400313607 | FORM 2 SUBMITTED |
| 400313660 | MINERAL LEASE MAP |
| 400319869 | DEVIATED DRILLING PLAN |
| 400319870 | DIRECTIONAL DATA |
| 400319873 | WELL LOCATION PLAT |
| 400320890 | SURFACE AGRMT/SURETY |
| 400321153 | OTHER |

Total Attach: 7 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)