

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:

400335156

Date Received:

10/10/2012

PluggingBond SuretyID

20000063

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: MULL DRILLING COMPANY INC

4. COGCC Operator Number: 61250

5. Address: 1700 N WATERFRONT PKWY B#1200

City: WICHITA State: KS Zip: 67206-6637

6. Contact Name: MARK SHREVE Phone: (316)264-6366 Fax: (316)264-6440

Email: MSHREVE@MULLDRILLING.COM

7. Well Name: APC-DOUG Well Number: 1-25

8. Unit Name (if appl): N/A Unit Number: N/A

9. Proposed Total Measured Depth: 5600

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 25 Twp: 16S Rng: 45W Meridian: 6

Latitude: 38.631760 Longitude: -102.406820

Footage at Surface: 825 feet FNL/FSL FSL 1620 feet FEL/FWL FEL

11. Field Name: LOMA Field Number: 51350

12. Ground Elevation: 4294.88 13. County: CHEYENNE

14. GPS Data:

Date of Measurement: 09/27/2012 PDOP Reading: 2.7 Instrument Operator's Name: KEITH WESTFALL

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: 4455 ft

18. Distance to nearest property line: 825 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 0

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.)
MARMATON	MRTN			
MISSISSIPPIAN	MSSP			
SHAWNEE	SHWNE			

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#: 2001016523a. 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):

ALL OF SECTION 25-16S-45W, 6TH P.M.

25. Distance to Nearest Mineral Lease Line: 825 ft

26. Total Acres in Lease: 640

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: DRY & BURY

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	300	200	300	0
1ST	7+7/8	5+1/2	15.5	0	5,600	250	5,600	4,100
			Stage Tool	0	2,900	450	2,900	0

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

33. Comments No conductor casing will be set.

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: MARK SHREVE

Title: PRESIDENT/COO Date: 10/10/2012 Email: MSHREVE@MULLDRILLING.

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
400335156	FORM 2 SUBMITTED
400335379	WELL LOCATION PLAT
400335380	TOPO MAP
400335381	30 DAY NOTICE LETTER
400335477	30 DAY NOTICE LETTER

Total Attach: 5 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>
Material Handling and Spill Prevention	<ul style="list-style-type: none">• During drilling/completion operations, storage areas graded towards pit• During production operations, implementation of Spill Prevention, Control and Countermeasure Plan & daily inspection• All stock and produced water tanks have secondary containment
General Housekeeping	<ul style="list-style-type: none">• Drilling and production operations conducted in safe, workmanlike manner. Safety expectations include good housekeeping.• During drilling/completion operations, debris stored in caged container which is removed from the site.• During production operations, the lease is inspected daily by MDC personnel.
Wildlife	<ul style="list-style-type: none">• Development and implementation of a Wildlife Management Plan if protected species are present
Construction	<ul style="list-style-type: none">• Access road, well pad and pit disturbances minimized• Soils segregated by type to facilitate reclamation• Storm water controls deployed and routinely inspected
Interim Reclamation	<ul style="list-style-type: none">• Debris and waste material removed• Areas not in use reclaimed promptly; pits closed using segregated material; well pad and other compacted surfaces ripped• Noxious weeds controlled
Pre-Construction	<ul style="list-style-type: none">• Preparation of a Storm Water Pollution Prevention Plan. Acquisition of a Storm Water Discharge Permit• Consultation with the surface landowner or appointed agent• Finalize access routes• Finalize well pad location to minimize surface grade impacts• Finalize well pad layout to minimize disturbances• Develop wildlife management plan if protected species are present
Final Reclamation	<ul style="list-style-type: none">• All equipment and debris removed• All remaining disturbed areas, including access roads, reclaimed• Noxious Weed Control Plan developed if appropriate

Planning	<ul style="list-style-type: none"> • Conduct Initial Site Assessment <ul style="list-style-type: none"> o Identification of nearby water bodies o Identification of vegetation types o Identification of protected wildlife species o Identification of potential access routes to minimize disturbances o Identification of nearby improvements
Site Specific	Per ephemeral stream 2,543 feet north east of proposed well pad – structural practices will be implemented at the site to minimize erosion and sediment transport. Practices may include but are not limited to: straw bales, wattles/sediment control logs, silt fences, earth dikes, drainage swales, sediment traps, subsurface drains, pipe slope drains, inlet protection, outlet protection, gabions, and temporary sediment basins.
Drilling/Completion Operations	<p>INCLUDES STRUCTURAL PRACTICES:</p> <ul style="list-style-type: none"> • Implement Storm Water Pollution Prevention Plan, including routine inspections and evaluation of effectiveness • Locate tank batteries at safe distance from public roadways and railhead • Full containment for stock tanks and separators • Installation of pipelines in common trenches when practical • Installation of pipelines at right angles to water bodies (drainages, wetlands, perennial water bodies) where practical
Storm Water/Erosion Control	<ul style="list-style-type: none"> • During drilling / completion operations, implementation of Storm Water Pollution Prevention Plan • Following drilling/completion operations, prompt reclamation of disturbed areas • During production operations, implementation of MDC's Post Construction Storm Water Management Program

Total: 11 comment(s)