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

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Date Received:

APPLICATION FOR PERMIT TO:

1. [X] **Drill,** [ ] Deepen, [ ] Re-enter, [ ] Recomplete and Operate

2. TYPE OF WELL
OIL [X] GAS [ ] COALBED [ ] OTHER _____
SINGLE ZONE [ ] MULTIPLE [X] COMMINGLE [ ]

Refiling [ ]
Sidetrack [ ]

PluggingBond SuretyID
20000063

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-BAUGHMAN UNIT Well Number: 1-35

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

9. Proposed Total Measured Depth: 5600

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 35 Twp: 16S Rng: 45W Meridian: 6
Latitude: 38.616670 Longitude: -102.436740

		FNL/FSL		FEL/FWL
Footage at Surface:	660 feet	FSL	330 feet	FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 4217.68 13. County: CHEYENNE

14. GPS Data:
Date of Measurement: 05/15/2013 PDOP Reading: 2.1 Instrument Operator's Name: ELIJAH FRANE

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 [X] No

17. Distance to the nearest building, public road, above ground utility or railroad: 250 ft

18. Distance to nearest property line: 330 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.)
MARMATON	MRTN			
MISSISSIPPIAN	MSSP			
SHAWNEE	SHWNE			

21. Mineral Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian Lease #: _____

22. Surface Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian

23. Is the Surface Owner also the Mineral Owner? [ ] Yes [X] No Surface Surety ID#: 20010165

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):

SE/4 34-16S-45W and W/2, SE/4 & W/2 NE/4 35-16S-45W

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 720

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	600	400	300	0
1ST	7+7/8	5+1/2	15.5	0	5,600	250	5,600	4,100
	7+7/8	5+1/2	Stage Tool	0	2,900	450	2,900	0

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

33. Comments NO CONDUCTOR CSG 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: 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.

Data retrieval failed for the subreport 'rptPolicy_NTO' located at: W:\Inetpub\Net\Reports\policy_nto.rdlc. Please check th

Attachment Check List

Att Doc Num	Name
400428548	30 DAY NOTICE LETTER
400428554	TOPO MAP
400428555	PLAT
400428557	H2S CONTINGENCY PLAN

Total Attach: 4 Files

General Comments

User Group	Comment	Comment Date

Total: 0 comment(s)

BMP

Type	Comment
Pre-Construction	• 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
Storm Water/Erosion Control	• 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
Drilling/Completion Operations	Includes Structural Practices: • 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
Material Handling and Spill Prevention	• 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
Wildlife	• Development and implementation of a Wildlife Management Plan if protected species are present
Interim Reclamation	• 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
Planning	• Conduct Initial Site Assessment 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

Construction	• Access road, well pad and pit disturbances minimized • Soils segregated by type to facilitate reclamation • Storm water controls deployed and routinely inspected
Final Reclamation	• All equipment and debris removed • All remaining disturbed areas, including access roads, reclaimed • Noxious Weed Control Plan developed if appropriate
Site Specific	1. Reporting of the presence of H2S will be done via verbal and email notices. Verbal notice with a follow up email will be provided as soon as practicable upon detection of H2S to COGCC's area engineer and the local government designee. 2. Per ephemeral stream south of staked location – 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.
General Housekeeping	• 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.

Total: 11 comment(s)