

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:

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Date Received:

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER PILOT
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

PluggingBond SuretyID

20120073

3. Name of Operator: CHAMA OIL & MINERALS LLC

4. COGCC Operator Number: 10431

5. Address: PO BOX 50203

City: MIDLAND State: TX Zip: 79710

6. Contact Name: WILLIAM HEARD Phone: (432)683-8000 Fax: (432)683-8250

Email: BILL.HEARD@CHAMAOIL.COM

7. Well Name: NICOLARSEN 20-15-48 Well Number: 1-P

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

9. Proposed Total Measured Depth: 6200

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 20 Twp: 15S Rng: 48W Meridian: 6

Latitude: 38.733381 Longitude: -102.810962

Footage at Surface: 600 feet FNL/FSL FNL 660 feet FEL/FWL FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4282 13. County: CHEYENNE

14. GPS Data:

Date of Measurement: 05/03/2013 PDOP Reading: 2.5 Instrument Operator's Name: C VAN MATRE

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: 600 ft

18. Distance to nearest property line: 600 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 9000 ft

20. LEASE, SPACING AND POOLING INFORMATION

Table with 5 columns: Objective Formation(s), Formation Code, Spacing Order Number(s), Unit Acreage Assigned to Well, Unit Configuration (N/2, SE/4, etc.)

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):

SECTION 20 (ALL), T-15-S, R-48-W

25. Distance to Nearest Mineral Lease Line: 600 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: SEE OPERATOR

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	9+5/8	36	0	500	240	500	0
OPEN HOLE	8+3/4		0	500	6,200			

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

33. Comments NO CONDUCTOR TO BE USED. NICOLARSEN 20-15-48 #1-P AND NICOLARSEN 20-15-48 #1-H WILL BE DRILLED FROM THE SAME WELL BORE. 1-P WILL BE A VERTICAL PILOT HOLE DRILLED TO APPROXIMATE DEPTH OF 6200'. WELL WILL BE PLUGGED BACK AND THE 1-H LATERAL WILL BE DRILLED AS NOTED ON THE PLAT. MUD DISPOSAL WILL BE ON SITE: MUD WILL BE PLACED IN CUTTINGS PIT AT END OF WELL ALLOWING LIQUID AND SOLIDS TO SEPARATE, FREE LIQUID WILL BE SENT TO COMMERCIAL DISPOSAL, SOLIDS AND CUTTINGS WILL BE STABILIZED AND CONTENTS SAMPLED AND ANALYZED TO ENSURE COMPLIANCE WITH TABLE 910-1 PRIOR TO CLOSING.

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: WILLIAM HEARD

Title: PROJECT DRILLING ENGINEER Date: _____ Email: BILL.HEARD@CHAMAOIL.

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 'IntPolicy_NTO' located at: W:\Inetpub\Net\Reports\policy_nto.rdl. Please check th

Attachment Check List

Att Doc Num	Name
400430451	30 DAY NOTICE LETTER
400430455	PLAT
400430457	SURFACE AGRMT/SURETY
400430458	SURFACE AGRMT/SURETY
400430463	TOPO MAP
400435437	H2S CONTINGENCY PLAN

Total Attach: 6 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)