

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:

400458901

Date Received:

07/30/2013

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 ☐

PluggingBond SuretyID

20080136

3. Name of Operator: OMIMEX PETROLEUM INC

4. COGCC Operator Number: 66190

5. Address: 7950 JOHN T WHITE ROAD

City: FORT WORTH State: TX Zip: 76120

6. Contact Name: Cliff Williams Phone: (817)460-7777 Fax: (817)460-1381

Email: cliff_williams@omimexgroup.com

7. Well Name: Bledsoe Well Number: 10-3-5-45

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

9. Proposed Total Measured Depth: 2639

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 3 Twp: 5N Rng: 45W Meridian: 6

Latitude: 40.431219 Longitude: -102.367010

Footage at Surface: 2261 feet FNL/FSL 2299 feet FEL/FWL
 FSL FEL

11. Field Name: Ballyneal Field Number: 1970

12. Ground Elevation: 3783 13. County: YUMA

14. GPS Data:

Date of Measurement: 11/08/2007 PDOP Reading: 2.1 Instrument Operator's Name: Ben Adsit

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: 2848 ft

18. Distance to nearest property line: 2261 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1894 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 | | 160 | 318B |

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#:23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No23b. 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):

E/2 of Section 3, Township 5N, Range 45W, 6th P.M. and other lands to comprise a total of 60,380+/- net mineral acres.

25. Distance to Nearest Mineral Lease Line: 372 ft

26. Total Acres in Lease: 60380

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: Evaporation and fill in of pits.

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 | 9+7/8 | 7 | 17 | 0 | 450 | 222 | 450 | 0 |
| 1ST | 6+1/4 | 4+1/2 | 10.5 | 0 | 2639 | 299 | 2639 | 0 |

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

33. Comments No changes from the prior APD under API 05-125-11139. Location ID #335254We will not be using conductor casing in this well. There are no improvements within 400' of the proposed well location.

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: Cliff Williams

Title: Land Manager

Date: 7/30/2013

Email: cliff_williams@omimexgroup.co

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: Matthew Lee Director of COGCC Date: 9/12/2013

API NUMBER

05 125 11139 00

Permit Number: _____ Expiration Date: 9/11/2015

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.

| COA Type | Description |
|-----------------|---|
| | 1) Provide 48 hour notice prior to spud via electronic Form 42. 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (450' minimum - as proposed). 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 4) If dry hole, set 35 sks cement 50' above Niobrara top, 35 sks cement ½ out, ½ in surface casing, 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole. |

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| Att Doc Num | Name |
|--------------------|----------------------|
| 1792837 | WELL LOCATION PLAT |
| 400458901 | FORM 2 SUBMITTED |
| 400460512 | SURFACE AGRMT/SURETY |

Total Attach: 3 Files

General Comments

| User Group | Comment | Comment Date |
|-------------------|---|----------------------|
| Permit | Final review completed. No LGD or public comments. | 3/9/2013 2:12:53 PM |
| Permit | Operator requested change of distance to the nearest building.....etc to reflect the footages on the form 2A. | 9/5/2013 12:56:46 PM |
| Permit | Requested well location plat and review of distances from nearest property line and nearest building....etc as form 2 says 2261' and form 2A says 373 feet from property line and form 2 says 3000 feet to nearest surface feature but the form 2 says 2848 for ground utility. | 9/5/2013 10:31:00 AM |
| Engineer | Jimika Reed sent cement tops via email 8/8/13: Cmt Top was blank. Cmt Top for both the surface and production casing is 0 or Surface. | 3/8/2013 3:42:04 PM |
| Permit | Returned to draft. Requested plugging bond, location ID, signed copy of SUA, and well location plat. | 7/31/2013 7:47:48 AM |

Total: 5 comment(s)

Best Management Practices

| No | BMP/COA Type | Description |
|-----------|---------------------|--------------------|
| | | |