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**APPLICATION FOR PERMIT TO:**

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

2. TYPE OF WELL  
 OIL  GAS  COALBED  OTHER: \_\_\_\_\_  
 SINGLE ZONE  MULTIPLE ZONES  COMMINGLE ZONES

Refrilling   
 Sidetrack

Plugging Bond Surety ID# \_\_\_\_\_

3. Name of Operator: Mineral Resources, Inc. 4. COGCC Operator Number: 57667

5. Address: 3109 35th Avenue B101  
 City: Greeley State: CO Zip: 80634

6. Contact Name: Collin M. Richardson Phone: (970) 352-9446 Fax: (800) 850-9334

7. Well Name: Ehrlich Motors Well Number: D8

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

9. Proposed Total Measured Depth: 8258'

10. Qtr: NENE Sec: 20 Twp: 5N Rng: 65W Meridian: 6th  
 Latitude: 40.39127° North Longitude: 104.68221° West  
 Footage At Surface: 211' 59" N 1257' E

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4674' 4674' 13. County: Weld

14. GPS Data:  
 Date of Measurement: 11/01/06 PDOP Reading: 2.9 Instrument Operator's Name: M. Robert

Complete the Attachment Checklist

|                            | OP                                  | COGCC                               |
|----------------------------|-------------------------------------|-------------------------------------|
| APD Orig & 1 Copy          | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Form 2A                    | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Well location plat         | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Topo map                   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Mineral lease map          | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Surface agrmt/Surety       | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| 30 Day notice letter       | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Deviated Drilling Plan     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Exception Location Request | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Exception Loc Waivers      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| H2S Contingency Plan       | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Federal Drilling Permit    | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

15. If well is:  Directional  Horizontal (highly deviated),  submit deviated drilling plan. Bottomhole Sec Twp Rng: 17-5N-65W

Footage At Top of Prod Zone: 50' S 1257' W At Bottom Hole: 50' S 1257' W

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: 245'

18. Distance to Nearest Property Line: 150' 19. Distance to nearest well permitted/completed in the same formation: +/- 000'

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/Codell        | NBCD           | 407-87 (318A)            | 160 acres                     | S/2 SW/4, 17, 5N65W;<br>N/2 NW/4, 20, 5N65W |

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 Qtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):  
 See attached Pooling Agreement

25. Distance to Nearest Mineral Lease Line: 50' 26. Total Acres in Lease: 160

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)?  Yes  No If 28, 29 or 30 are "Yes" a pit permit may be required.

31. Mud disposal:  Offsite  Onsite  
 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.

| String     | Size of Hole | Size of Casing | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bottom | Cement Top |
|------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| Surface    | 12-1/4"      | 8-5/8"         | 24#             | 440'          | 200 sx       | 440'          | Surface    |
| Production | 7-7/8"       | 4-14"          | 11.6#           | 8258'         | 166 sx       | 8258'         | 7259'      |

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

33. Comments: \_\_\_\_\_

Operator is Surface Owner

34. Initial Rule 306 Consultation took place on (date) waived, was waived, or is not required. Provide supporting documentation if consultation has been waived or if good faith effort did not result in consultation.

PERMIT SUBMITTED TO COGCC PRIOR TO COMPLIANCE WITH RULE 306 CONSULTATION SHALL BE RETURNED UNAPPROVED.

I hereby certify that a complete permit package has been sent to the applicable Local Government Designee(s), and all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: Collin M. Richardson Print Name: Collin M. Richardson  
 Title: V.P., Operations Date: 3/13/2007 Email: collin@mineralresourcesinc.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: *Shirley M...* Director of COGCC Date: 04-06-07

Permit Number: 20071418 Expiration Date: 04-05-08

API NUMBER  
 05-123-24989-00

CONDITIONS OF APPROVAL, IF ANY:

- 1) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log
- 3) Run and submit Directional Survey from TD to surface casing shoe



LOCATION: NE1/4 OF NE1/4 OF SEC. 20, T.5N., R.65W. (290 NSL, 1257 ESL)

Ground Elevation: 4674

Number of Acres: 0

| AQUIFER           | ELEVATION |     | DEPTH TO |      | ANNUAL |     |
|-------------------|-----------|-----|----------|------|--------|-----|
|                   | BOT.      | TOP | SAND     | BOT. | TOP    | A-F |
| UPPER DAWSON      | ---       | --- | ---      | ---  | ---    | --- |
| LOWER DAWSON      | ---       | --- | ---      | ---  | ---    | --- |
| DENVER            | ---       | --- | ---      | ---  | ---    | --- |
| UPPER ARAPAHOE    | ---       | --- | ---      | ---  | ---    | --- |
| LOWER ARAPAHOE    | ---       | --- | ---      | ---  | ---    | --- |
| LARAMIE-FOX HILLS | ---       | --- | ---      | ---  | ---    | --- |



note: E indicates location is at aquifer boundary and values may be more approximate.

want to do another (Y/N) (press P to print)

**SURFACE CASING CHECK**

Well Name Ehrlich Motors D8

New Drill  Refiling  Deepen  Re-Enter  Recomplete and Operate  Plug and Abandon  Casing Repair

SB5 Base of Fox Hills 0

Cheyenne Basin Map Base of Fox Hills outcrop

Base of Fox Hills per  this well's

or  offset well's induction log -

Fox Hills Protection Area 5% Rule 413

Deepest Water Well w/in One Mile 249 corr

Operator-Proposed Surface Casing Depth 440

Surface Casing Depth to Approve 440 ok



### Selected Items Report



#### Oil and Gas Wells Selected

Filter Results by Formation Include  Filter

| WELL DESCRIPTION | LOCATION | WELL INFORMATION |
|------------------|----------|------------------|
|------------------|----------|------------------|

#### Facilities Selected

| FACILITY DESCRIPTION | LOCATION | PIT INFORMATION |         |        |
|----------------------|----------|-----------------|---------|--------|
|                      |          | Type            | Unlined | Status |

#### Water Wells Selected From Map

Filter Results by Depth Greater than 79 Filter

GS

| WELL DESCRIPTION  | LOCATION          | WELL INFORMATION |          |             |         |
|---|-------------------|------------------|----------|-------------|---------|
|   |                   | Depth            | Top Perf | Bottom Perf | Aquifer |
| Receipt=0250367, Permit=0000089-RD-R<br>ARC IV LLC                            | NWNW 16<br>5N-65W | 115              | 95       | 115         | GW      |
| Receipt=9058584, Permit=0000820-R-R<br>HARRINGTON LAND CO                     | NWSE 16<br>5N-65W | 105              | 0        | 105         | GW      |
| Receipt=9062679, Permit=0019878-R-<br>GROSSAINT K L                           | SWSE 16<br>5N-65W | 85               | 0        | 0           | GW      |
| Receipt=9063591, Permit=0031813--<br>BOYS CLUB OF GREELEY                     | NWSW 16<br>5N-65W | 80               | 68       | 80          | GW      |
| Receipt=0438551, Permit=0048312-F-R<br>GIRLS & BOYS CLUB                      | NWSW 16<br>5N-65W | 90               | 47       | 87          | GW      |
| Receipt=9064087, Permit=0038583--<br>NESS MARLIN & SHIRLEY                    | SESW 16<br>5N-65W | 89               | 65       | 89          | GW      |
| Receipt=9065831, Permit=0087460--<br>WELD CNTY SCHOOL DIST                    | SWSW 16<br>5N-65W | 110              | 70       | 110         | GW      |
| Receipt=9064641, Permit=0049639--<br>LUNDVALL ENTERPRISES INC                 | NENE 17<br>5N-65W | 102              | 82       | 102         | GW      |
| Receipt=9064393, Permit=0044370--<br>MEYERS JULIA                             | SESE 17<br>5N-65W | 82               | 0        | 0           | GW      |
| Receipt=0203120, Permit=0070254--A<br>FRANKLIN F                              | NENE 20<br>5N-65W | 120              | 80       | 120         | GW      |
| Receipt=9059484, Permit=0005999-R-<br>SUSSEX PARTNERS, CO GENERAL PARTNERSHIP | NWNE 20<br>5N-65W | 118              | 97       | 118         | GW      |
| Receipt=9064216, Permit=0040993--<br>WADDELL PIERT P & FLORENCE               | NENW 20<br>5N-65W | 82               | 0        | 0           | GW      |
| Receipt=9062324, Permit=0016067-R-<br>MILLER ALLIE E                          | NENW 21<br>5N-65W | 111              | 0        | 0           | GW      |
| Receipt=9060228, Permit=0009989--<br>MILLER ALLIE E                           | NWNW 21<br>5N-65W | 120              | 0        | 0           | GW      |
| Receipt=9059104, Permit=0003935--<br>BRAGG JOHN                               | NWSW 21<br>5N-65W | 210              | 0        | 0           | GW      |

ec

4635

4428

**Colorado  
Oil & Gas Conservation Commission**



**COGCC Results**



**Selected Items Report**

| <b>Oil and Gas Wells Selected</b>                                     |                        |  |                                       |
|---|------------------------|--|---------------------------------------|
| Filter Results by Formation   |                        | Include <input checked="" type="checkbox"/> SUSX | <input type="button" value="Filter"/> |
| <b>WELL DESCRIPTION</b>   | <b>LOCATION</b>        | <b>WELL INFORMATION</b>                          |                                       |
| 05-123-18678, COMMERCE CENTER 2 20-7H5<br>NOBLE ENERGY PRODUCTION INC | SWNE 20<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7269 SUSX TA |                                       |
| 05-123-12447, SCHNEIDER 1<br>MERIT ENERGY COMPANY                     | SWNW 21<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7114 SUSX AB |                                       |
| 05-123-15424, BRAGG F21-11S<br>NOBLE ENERGY PRODUCTION INC            | NESW 21<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 4610 SUSX SI |                                       |
| 05-123-15727, ERIKSON 21-13<br>NOBLE ENERGY PRODUCTION INC            | SWSW 21<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7147 SUSX PR |                                       |
| 05-123-16127, ADOLPH F 21-14<br>NOBLE ENERGY PRODUCTION INC           | SESW 21<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7210 SUSX TA |                                       |
| 05-123-17052, MAGNUSON 21-15B<br>NOBLE ENERGY PRODUCTION INC          | SWSE 21<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7244 SUSX AB |                                       |
| 05-123-11713, GIBBS 2<br>NOBLE ENERGY PRODUCTION INC                  | NWNE 28<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7149 SUSX PR |                                       |
| 05-123-16784, GIBBS 4<br>NOBLE ENERGY PRODUCTION INC                  | NENW 28<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7148 SUSX TA |                                       |
| 05-123-12639, REYNOLDS 2<br>NOBLE ENERGY PRODUCTION INC               | SWNW 28<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7156 SUSX TA |                                       |
| 05-123-14709, REYNOLDS 28-3<br>NOBLE ENERGY PRODUCTION INC            | NWNW 28<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7250 SUSX TA |                                       |
| 05-123-17149, SOCO 29-8<br>NOBLE ENERGY PRODUCTION INC                | NESE 29<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7372 SUSX SI |                                       |
| 05-123-16150, SOCO 29-1<br>NOBLE ENERGY PRODUCTION INC                | NENE 29<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7190 SUSX TA |                                       |
| 05-123-16151, SOCO 29-2<br>NOBLE ENERGY PRODUCTION INC                | NWNE 29<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7197 SUSX PR |                                       |
| 05-123-16152, SOCO 29-7<br>NOBLE ENERGY PRODUCTION INC                | SWNE 29<br>5N -65W (6) | Sidetrack TD Formation Status<br>00 7206 SUSX PR |                                       |
| <b>Facilities Selected</b>  |                        |  |                                       |
| <b>FACILITY DESCRIPTION</b>   | <b>LOCATION</b>        | <b>PIT INFORMATION</b>                           |                                       |
|   |                        | Type   | Unlined Status                        |

Well name and number:

Ehrlich Motors DB

## Survey Plat Check list

| number | Item   |    |
|--------|--|----|
|        | 8-1/2" x 11" scaled drawing of the entire section  | ✓  |
| 1      | Dimensions on adjacent exterior section lines sufficient to completely describe the quarter section containing the proposed well shall be indicated  | ✓  |
| 1a     | If dimensions are not field measured, state how the dimensions were determined   | ✓  |
| 2      | The latitude and longitude of the proposed well location shall be provided on the drawing with a minimum of five (5) decimal places of accuracy and precision using the North American Datum (NAD) of 1983 (e.g.; latitude 37.12345 N, longitude 104.45632 W). If GPS technology is utilized to determine the latitude and longitude, all GPS data shall meet the requirements set forth in Rule 215. a. through h.  | ✓  |
| 2a     | PDOP value <7 if GPS used  | ✓  |
| 2b     | 5 decimal places of accuracy & precision   | ✓  |
| 2c     | NAD 1983   | ✓  |
| 3      | For directional drilling into an adjacent section, that section shall also be shown on the location plat and dimensions on exterior section lines sufficient to completely describe the quarter section containing the proposed productive interval and bottom hole location shall be indicated. (Additional requirements related to directional drilling are found in Rule 321.)  | ✓  |
| 4      | For irregular, partial or truncated sections, dimensions will be furnished to completely describe the entire section containing the proposed well.   | nm |
| 5      | The field-measured distances from the nearer north/south and nearer east/west section lines shall be measured at ninety (90) degrees from said section lines to the well location and referenced on the plat. For unsurveyed land grants and other areas where an official public land survey system does not exist, the well locations shall be spotted as footages on a protracted section plat using Global Positioning System (GPS) technology and reported as latitude and longitude in accordance with Rule 215. | ✓  |
| 6      | A map legend   | ✓  |
| 7      | A North Arrow  | ✓  |
| 8      | A scale expressed as an equivalent (e.g. 1" = 1000').  | ✓  |
| 9      | A bar scale.   | ✓  |
| 10     | The ground elevation.  | ✓  |
| 11     | The basis of the elevation (how it was calculated or its source).  | ✓  |
| 12     | The basis of bearing or interior angles used.  | ✓  |
| 13     | Complete description of monuments and/or collateral evidence found; all aliquot corners used shall be described.   | ✓  |
| 14     | The legal land description by section, township, range, principal meridian, baseline and county.   | ✓  |
| 15     | Operator name  | ✓  |
| 16     | Well name and number   | ✓  |
| 17     | Date of completion of scaled drawing   | ✓  |
| 18     | All visible improvements within two hundred (200) feet of a wellhead (or, in a high density area within four hundred (400) feet of a wellhead) shall be physically tied in and plotted on the well location plat or on an addendum, with a horizontal distance and approximate bearing from the well location.   | ✓  |
| 18a    | Visible improvements shall include, but not be limited to, all buildings, publicly maintained roads and trails, major above ground utility lines, railroads, pipelines, mines, oil wells, gas wells, injection wells, water wells, visible plugged wells, sewers with manholes, standing bodies of water, and natural channels including permanent canals and ditches through which water flows.   | ✓  |
| 18b    | If there are no visible improvements within two hundred (200) feet of a wellhead (or in a high density area within four hundred (400) feet of a wellhead), it shall be so noted on the Permit-to-Drill, Form 2.  | ✓  |
| 19     | Surface use shall be described within the two hundred (200) foot radius of a wellhead (or in a high density area within the four hundred (400) foot radius of a wellhead).   | ✓  |

The survey plat you submitted with your permit was found to be in non-compliance with COGCC rule 303c. See above checklist. If a survey plat is not in compliance with rule 303c the operator will be notified and the permit will be placed on hold until an adequate replacement is supplied to the COGCC.