



State of Colorado
Oil and Gas Conservation Commission
DEPARTMENT OF NATURAL RESOURCES

FOR OGCC USE ONLY
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SEP 30 1998
OIL & GAS CONS. COM.
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APPLICATION FOR PERMIT TO:

1 a. TYPE OF WORK
 Drill, Deepen, Re-enter, Recomplete and Operate

1 b. TYPE OF WELL
OIL GAS COAL BED OTHER: _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONES

Refiling
SideTrack

2. OGCC Operator Number: 34162
3. Name of Operator: Gils Hot Oil Service
4. Address: P.O. Box 145
City: Byers State: Co Zip: 80103
5. Contact Name & Phone: Gilbert Paine No: 303-622-9751
6. Well Name: State of Colo. "C" NCT-1 Well Number: 1
7. Unit Name (If Appl.): Unit No:
8. Objective Formation(s): Dakota Formation Code: DKTA
9. Proposed Total Depth: 2016

Complete the Attachment Checklist

| | Op | OGCC |
|--|-------------------------------------|--------------------------|
| APD Original & 2 Copies | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Form 2A (Reclamation) & 1 Copy | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Permit Fee (\$200) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Well Location Plat | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Copy of Topo Map | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Plugging Surety | <input type="checkbox"/> | <input type="checkbox"/> |
| Mineral Lease Map | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Surface Agreement/Surety | <input type="checkbox"/> | <input type="checkbox"/> |
| Pit Permit (Form 15) | <input type="checkbox"/> | <input type="checkbox"/> |
| Deviated Drilling Plan | <input type="checkbox"/> | <input type="checkbox"/> |
| Request for Exception Location | <input type="checkbox"/> | <input type="checkbox"/> |
| Exception Location Waivers | <input type="checkbox"/> | <input type="checkbox"/> |
| H2S Contingency Plan | <input type="checkbox"/> | <input type="checkbox"/> |
| Federal Drilling Permit (1 Set) | <input type="checkbox"/> | <input type="checkbox"/> |
| Notices of Allocation | <input type="checkbox"/> | <input type="checkbox"/> |
| Sent Complete Permit Package to County | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

WELL LOCATION INFORMATION

10. QtrQtr: NW NE Sec: 11 Twp: 9N Rng: 78W Meridian: 6th PM
11. Footage From Exterior Section Lines (if directional, submit drilling plan): 1996 FEL 665 FNL
At Surface: 1996 FEL 665 FNL
if directional, at Top Proposed Prod. Zone:
If directional, at Bottom Hole:
12. Ground Elevation: 8078 13. County: Jackson
14. Field Name: Canadian River Field Number: 10100

LEASE, SPACING, AND POOLING INFORMATION

15. Spacing Order #(s): 96
16. # Acres in Unit:
17. Unit Description:
18. Mineral Ownership: Fee State Federal Indian Lease #:
19. Surface Ownership: Fee State Federal Indian
Is the Surface Owner also the Mineral Owner?: Yes No
If No: Surface Owners Agreement Attached or \$25,000 Blanket Bond \$2,000 Bond \$5,000 Bond
20. Total Acres in Lease: 80 21. Describe Entire Lease by QtrQtr, Sec, Twp, Rng (attach separate sheet/map if required):
N 1/2 NE Sec. 11-9N-78W
22. Is location in a high density area (Rule 603b)? No Yes
23. Distance to nearest Lease Line: 663'
24. Distance to nearest Property Line: 663'
25. Distance to nearest well completed in the same Formation: 2420' P&A'd
26. Distance to nearest building, public road, major above ground utility or railroad: 1 mile
** The use of an earthen pit for recompletion fluids requires a pit permit (Rule 905b).

DRILLING PLANS AND PROCEDURES

27. Approx. Spud Date: 10-10-98 * If Air/Gas Drilling, Notify Local Fire Officials
28. Drilling Contractor Number: 34162 Name: Gils Hot Oil Service Phone #: 303-622-9751
29. Is H2S Anticipated: No Yes If yes, attach contingency plan.
30. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling? No Yes
31. Will salt sections be encountered during drilling? No Yes
32. If questions 30 or 31 are yes, is this location in a sensitive area (Rule 903)? No Yes
33. Mud disposal: Offsite Onsite
Method: Land Farming Land Spreading Disposal Facility Other:

CASING AND CEMENTING PROGRAM

| Size of Hole | Size of Casing | Weight per Foot | Setting Depth | Sks Cement | Cement Bottom | Cement Top |
|--------------|----------------|-----------------|---------------|------------|---------------|------------|
| | 8 5/8 | 24# | 339 | 268 | 339' | Surface |
| | 4 1/2 | 9.5# | 2127 | 180 | 2127 | 1484 |
| | | Stage Tool | | | | |

35. BOP Equipment: Annular Preventor Double Ram Rotating Head None
36. Comments, if any:

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Gilbert Paine
Signed: Gilbert Paine Title: President Date: 9-21-98

OGCC Approved: [Signature] Director of COGCC Date: OCT 15 1998

API NUMBER 05-057-05086-1 Permit Number: 98-921 Expiration Date: OCT 14 1999

CONDITIONS OF APPROVAL, IF ANY: Houston

PROVIDE 24 HR NOTICE OF MUR TO DAVE SHELTON 303-894-2100 X 108