

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 ☐

Refilling ☐
Sidetrack ☐

3. Name of Operator PRB Oil & Gas, Inc. 4. COGCC Operator Number: 10203

5. Address: 1875 Lawrence Street, Suite 450
City: Denver State: CO Zip: 80202

6. Contact Name: Mike Purfield Phone: 303-308-1330 xt 108 Fax: 303-308-1590

7. Well Name: Ozman Trust Well Number: 943-29-13

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

9. Proposed Total Measured Depth: 3000'

10. QtrQtr: NWSW Sec: 29 Twp: 9N Rng: 43W Meridian: 6th PM

Latitude: 40.72434 Longitude: -102.16825

Footage At Surface: 1675' FSL 610' FWL

11. Field Name: Lone Duck Unnamed Field Number: 85251 53165

12. Ground Elevation: 3666' 13. County: Phillips

14. GPS Data:

Date of Measurement: 4/14/2007 PDOP Reading: 2.853 Instrument Operator's Name: Neal McCormick

15. If well is: ☐ Directional ☐ Horizontal (highly deviated), submit deviated drilling plan. Bottomhole Sec Twp Rng:

Footage At Top of Prod Zone: At Bottom Hole:

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: 150' +

18. Distance to Nearest Property Line: 600' + 19. Distance to nearest well permitted/completed in the same formation: 3261 4200' +

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			

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No

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):

T9N, R43W, Sec. 29: S/2NE/4, S/2

25. Distance to Nearest Mineral Lease Line: 610 600' + 26. Total Acres in Lease: 400

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 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: Evap. & Burial

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	9-7/8"	7"	17#	400' 460'	180 Sx +	400' 460'	Surface
Production	6-1/4"	4-1/2"	10.5#	3000'	80 Sx	3000'	1900'

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

33. Comments

34. Initial Rule 306 Consultation took place on (date) 4/24/2007, 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: Mike Purfield Print Name: Mike Purfield

Title: Vice President Date: 4/22/07 Email: mpurfield@prbenergy.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: 20072260 Director of COGCC Date: 6/13/07

Permit Number: 20072260 Expiration Date: 6/12/08

API NUMBER 05-095-06132-00

CONDITIONS OF APPROVAL, IF ANY:

1) Provide 24 hour notice of MIRU to Kevin Lively at 970-522-6747. 2) Note change in surface casing setting depth. Set surface casing at least 50' into Pierre Shale for aquifer coverage (460' minimum). Cement to surface. Setting surface casing less than the approved depth shown above is a permit violation unless prior written approval is obtained from COGCC. 3) If dry hole, set 35 sks cement above Niobrara, 35 sks cement 1/2 in 1/2 out of surface casing, 10 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

SURFACE CASING CHECK

Well Name ORMAN TRUST 943-29-13

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

Deepest Water Well w/in ^{Two} ~~One~~ Miles $360 + 50 = 410'$

Operator-Proposed Surface Casing Depth 400'

Actual Surface Casing Depth _____

Change Permit Surface Casing Depth from 400' to 460'

OK on ☐ this well's or ☒ offset well's induction log at 460'



D.A.
5/7/2007

Colorado Oil & Gas Conservation Commission

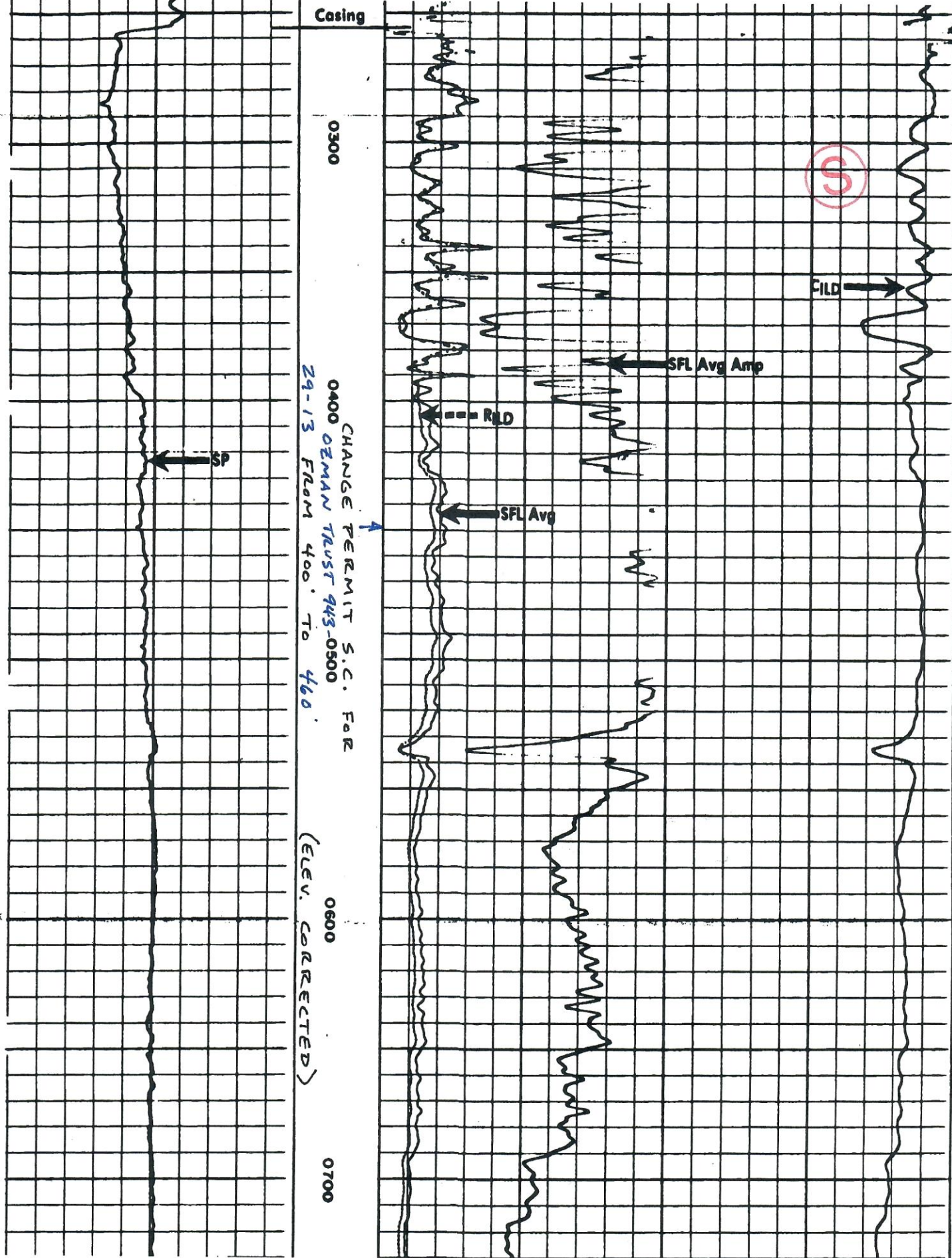


COGCC Results



Selected Items Report

Oil and Gas Wells Selected					
Filter Results by Formation Include <input type="text"/> Filter					PR ≤ 2.0 MILES:
Filter Results by Formation Include <input type="text"/> Filter					NBRR
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 <input type="text"/> 0 Filter					
WELL DESCRIPTION	LOCATION	WELL INFORMATION			
		Depth	Top Perf	Bottom Perf	Aquifer
Receipt=9053352, Permit=0004760-F- VIESELMAYER DALE	NWNW 4 8N-43W	315	0	0	TO
Receipt=9054192, Permit=0146748-- CLAYMON DELVIN A.	SENE 6 8N-43W	242	0	0	GW
Receipt=9054654, Permit=0020512-F- DIRKS L D	SWSE 18 9N-43W	310	0	0	GW
Receipt=0917109, Permit=0034155-FP- DIRKS L D	SWSE 18 9N-43W	310	230	310	TO
Receipt=9053373, Permit=0005647-F- REIFENRATH MARK	NWNW 20 9N-43W	350	0	0	TO
Receipt=9053401, Permit=0007194-R- REIFENRATH MARK	SWNW 20 9N-43W	360	0	0	TO
Receipt=9053499, Permit=0012421-FP- REIFENRATH MARK	NWSE 20 9N-43W	340	0	0	TO
Receipt=9053915, Permit=0041878-- KRUEGER HULDA ESTATE	SWSE 32 9N-43W	318	0	0	GW
Receipt=9053325, Permit=0000379-- VIESELMAYER ALLAN	SWSE 33 9N-43W	225	190	225	GW
Receipt=9053774, Permit=0019882-- HAGEMAN RONALD	NENE 24 9N-44W	264	0	0	GW



095-06042 HAROLD A # 1 CNW 21-9N-43W GS = 3655'

Well name and number:

Ozeman Trust 943-29-13



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.)	na
4	For irregular, partial or truncated sections, dimensions will be furnished to completely describe the <u>entire</u> section containing the proposed well.	na
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.

na