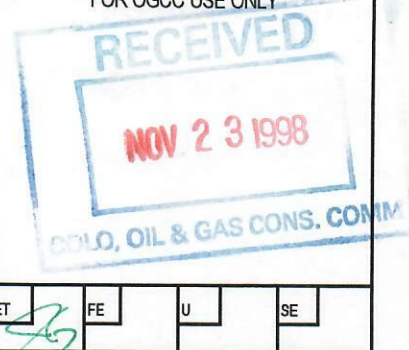


State of Colorado
Oil and Gas Conservation Commission
DEPARTMENT OF NATURAL RESOURCES

FOR OGCC USE ONLY



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 ☐
Refilling ☐ Side Track ☐

2. OGCC Operator Number:	91755	4. Contact Name & Phone	
3. Name of Operator:	UNITED STATES EXPLORATION, INC.		GERALD LUCERO
4. Address:	560 N. 7th Avenue	No:	303-655-0184
City:	Brighton	State:	CO
		Zip:	Zip 80601
6. Well Name:	ZARLENGO 31-29 ✓	Well Number:	#2 ✓
7. Unit Name (if Appl.):		Unit No:	
8. Unit Name (if Appl.):		Formation Code:	JSND
9. Proposed Total Depth:	8190 ✓		

Complete the
Attachment Checklist

	Oper	OGCC
APD Original & 2 Copies		
Form 2A (Reclamation) & 1 Copy		
Permit Fee (\$200)		
Well Location Plat		
Copy of Topo Map		
Plugging Surety		
Mineral Lease Map		
Surface Agreement/Surety		
Pit Permit (Form 15)		
Deviated Drilling Plan		
Request for Exception Location		
Exception Location Waivers		
H ₂ S Contingency Plan		
Federal Drilling Permit (1 Set)		
Notices of Allocation		
Sent Complete Permit Package to County		

WELL LOCATION INFORMATION

10. QtrQtr:	NWNE ✓ 29 T1N R67W 6 PM
11. Footage From Exterior Section Lines (if directional, submit drilling plan):	
At Surface:	660' FNL & 1980' FEL ✓
If directional, at Top Proposed Prod. Zone:	
If directional, at Bottom Hole:	
12. Ground Elevation:	5063 ✓
13. County:	WELD ✓
14. Field Name:	SPINDLE/Wattenberg
Field Number:	4080090750



LEASE, SPACING, AND POOLING INFORMATION

15. Spacing Order #(s):	16. # Acres in Unit:	320 ✓	17. Unit Description	E2 N2 ✓
18. Mineral Ownership:	<input checked="" type="checkbox"/> Fee ✓	State	Federal	Indian Lease #
19. Surface Ownership:	<input checked="" type="checkbox"/> Fee ✓	State	Federal	Indian
Is the Surface Owner also the Mineral Owner? NO				
If No:	Surface Owners Agreement Attached or	<input checked="" type="checkbox"/> \$25,000 Blanket Bond ✓	\$2,000 Bond	\$5,000 Bond
20. Total Acres in Lease:	320 ✓	21. Describe Entire Lease by QtrQtr, Sec, Twp, Rng (attach separate sheet/map if required):		
NE/4,NW/4 Sec. 29 T1N R67W				
22. Is location in a high density area (Rule 603b)?	<input checked="" type="checkbox"/> No ✓	Yes		
23. Distance to nearest Lease Line:	660 ✓	24. Distance to nearest Property Line:	660 ✓	
25. Distance to nearest well completed in the same Formation:				
26. Distance to nearest building, public road, major above ground utility or railroad:				
660 ✓				

** The use of an earthen pit for recompletion fluids requires a pit permit (Rule 905b).

DRILLING PLANS AND PROCEDURES

27. Approx. Spud Date:	January 1, 1999	* IF Air/Gas Drilling, Notify Local Fire Officials	
28. Drilling Contractor Number:		Name:	LEED ENERGY SERVICES
29. Is H ₂ S Anticipated:	<input checked="" type="checkbox"/> No ✓	Yes	If yes, attach contingency plan.
30. Will salt (>15,000 ppm TDS Cl) or oil based muds be used during drilling?	<input checked="" type="checkbox"/> No ✓	Yes	
31. Will salt sections be encountered during drilling?	<input checked="" type="checkbox"/> No ✓	Yes	
32. If questions 30 or 31 are yes, is this location in a sensitive area (Rule 903)?	No	Yes	
33. Mud disposal:	<input checked="" type="checkbox"/> Offsite ✓	Onsite	
Method:	Land Farming	Land Spreading	<input checked="" type="checkbox"/> Disposal Facility ✓
Other:			

CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Sks Cement	Cement Bottom	Cement Top
12 1/4	8 5/8	24	217	200	217	SURFACE
7 7/8	5 1/2	14	4990	150	4990	4225
4 3/4	3 1/2	10.3	8190	200	8190	4900
Stage Tool			792	75		
35. BOP Equipment:	Annular Preventor	<input checked="" type="checkbox"/> 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: GERALD LUCERO

Signed: *Gerald Lucero* Title: OPERATIONS MANAGER Date: 11/19/98

OGCC Approved: *[Signature]* Director of COGCC Date: DEC 11 1998

API NUMBER 05-123-8006-1 Permit Number: 981106 Expiration Date: DEC 10 1999

CONDITIONS OF APPROVAL, IF ANY: DS

Provide 24 hour notice of MIRU to Linda Pavelka at 303-857-1635.