

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

Document Number:
400206212

PluggingBond SuretyID
20110161

3. Name of Operator: DJ PRODUCTION SERVICES INC 4. COGCC Operator Number: 22400

5. Address: 1273 FALCON COURT
City: WINDSOR State: CO Zip: 80550

6. Contact Name: Jeff Reale Phone: (303)947-1387 Fax: ()
Email: lam53@msn.com

7. Well Name: Nelson Well Number: 5-22

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

9. Proposed Total Measured Depth: 7750

WELL LOCATION INFORMATION

10. QtrQtr: nenw Sec: 5 Twp: 4n Rng: 67w Meridian: 6
Latitude: 40.345980 Longitude: -104.919190

Footage at Surface: _____ feet FNL/FSL _____ feet FEL/FWL _____ feet
FNL _____ FWL _____

11. Field Name: Johnstown Field Number: 42600

12. Ground Elevation: 4850 13. County: WELD

14. GPS Data:
Date of Measurement: 08/26/2011 PDOP Reading: 2.0 Instrument Operator's Name: C VANMATRE

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 _____
1924 FNL 1833 FWL 1924 FNL 1833 FWL
Sec: 5 Twp: 4n Rng: 67w Sec: 5 Twp: 4n Rng: 67w

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: 296 ft

18. Distance to nearest property line: 150 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 919 ft

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.)
Codell / Niobrara	Cd/nb	407-87	80	S/2 NW/4

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

N/2 sec 5 T4N R67W 320 acres

25. Distance to Nearest Mineral Lease Line: 676 ft 26. Total Acres in Lease: 320

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: _____

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	12+1/4	8+5/8	24#	0	500	360	500	0
1ST	7+7/8	4+1/2	11.6#	0	7,750	550	7,750	3,000

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

33. Comments No conductor casing will be set. SUA is attached.

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: Jeff Reale

Title: Agent Date: 9/23/2011 Email: lam53@msn.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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400206212	FORM 2 SUBMITTED
400206222	WELL LOCATION PLAT
400206223	LOCATION DRAWING
400206233	TOPO MAP
400206234	HYDROLOGY MAP
400206638	LOCATION DRAWING
400206815	ACCESS ROAD MAP
400208049	DEVIATED DRILLING PLAN
400208050	DEVIATED DRILLING PLAN
400208429	SURFACE AGRMT/SURETY
400208530	LOCATION PHOTO
400208535	LOCATION PHOTO
400208539	LOCATION PHOTO
400208540	LOCATION PHOTO

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)