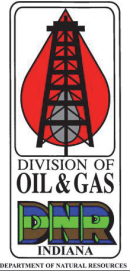




APPLICATION FOR COAL BED METHANE WELL PERMIT

State Form 54785 (R / 8-12) / Form A15
Approved by State Board of Accounts, 2012

INDIANA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL AND GAS
402 W. Washington St., Rm. 293
Indianapolis, IN 46204
Telephone number: (317) 232-4055
Fax number: (317) 232-1550
<http://www.in.gov/dnr/dnroil>



FOR STATE USE ONLY

Application number		Permit number	Date received (month, day, year)
Date approved (month, day, year)		Approved by	
IGS identification number	IGS samples <input type="checkbox"/> Yes <input type="checkbox"/> No	IGS pool name	

PART I GENERAL INFORMATION

Name of operator	Telephone number () -	Fax number () -
Address of operator (number and street or PO Box) (<input type="checkbox"/> Check here if this is a new address)		
City	State	ZIP code AAAAA
Send permit to (Enter name and address)	Telephone number () -	Fax number () -

Check here if you would like to have the permit sent via FAX or email. Email address: @

Applicant is (Check one only) Individual Partnership Public corporation
 Limited liability company Corporation Limited partnership

NOTE: Corporations, limited partnerships and limited liability companies must register with the Secretary of State. For further information about registration, contact the Corporations Division, Secretary of State at (317) 232-6576

Type of bond (Check one only)
 Surety bond Check
 Blanket bond Personal surety bond (Valid for Non-commercial gas wells only)
 Certificate of deposit Bond not required per IC 14-37-6-1

NOTES: A bond must accompany this application unless the operator has a valid blanket bond on file with the division or is exempt from bonding under IC 14-37-6-1. All bonds must be originals and an original Verification of Certificate of Deposit form must accompany CD's. Checks must be certified. The bond amount for individual wells is \$2,500 and for blanket bonds is \$45,000.

Well type (Check one only)
 Coal Bed Methane - Check the boxes below beside items that are attached to the application:
 Non-Commercial Coal Bed Methane - Check the boxes below beside items that are attached to the application:
 Form A12 – Coal Owner's and Coal Lessee's Consent Forms (Coal is leased),
 Form A14 – Coal Owner's Consent Form (Coal is not leased),
 Notices of Intent to Apply for a CBM permit and Affidavit of No Waste of Coal Resources or Miner Endangerment with Proof of Service to Coal Owner and Coal Lessee if no Consent Forms are attached (See Application Reminders),
 Notice of Intent to Survey with Proof of Service to Surface Owner (Required for every application),
 Well Stimulation Plan; OR Well will not be stimulated,
 Horizontal Drilling Plan (If applicable),
 Plugging Plan for Horizontal Well (If applicable).
 Statement of Protection of Coal for Future Underground Mining (Required for every application)

<p>Application type (Check no more than two)</p> <input type="checkbox"/> New well <input type="checkbox"/> Old well workover <input type="checkbox"/> Old well deepening <input type="checkbox"/> Horizontal well sidetracking <input type="checkbox"/> Conversion <input type="checkbox"/> Change of location	<input type="checkbox"/> Change of operator (Complete PARTS I, II, VI and VII indicating lease lines and drilling unit boundaries, only unless another application type is also checked) <input type="checkbox"/> Permit renewal (Complete PARTS I, II and VI only unless another application type is also checked) Note: A \$250 permit fee is required.
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Fee Payment Method: Check Credit Card (Attach credit card information on separate page or provide contact number: () -

Former operator (If applicable) Former Permit number (If applicable)

PART II SURFACE LOCATION AND LEASE INFORMATION							
Name of lease				Well number		Elevation (G.L.)	
Township	Range	Land type Land number:	1/4	1/4	1/4	Footages: ft. from <input type="checkbox"/> N, <input type="checkbox"/> S, <input type="checkbox"/> NW, <input type="checkbox"/> SE line ft. from <input type="checkbox"/> E, <input type="checkbox"/> W, <input type="checkbox"/> NE, <input type="checkbox"/> SW line	
County		Distance to the nearest well capable of production from the same zone in which this well will be completed: _____ feet					
Drilling unit acreage (Check one only) <input type="checkbox"/> 40 acres <input type="checkbox"/> Other _____ acres (Attach unit exception or petition for exception and supporting documentation)					<input type="checkbox"/> Check here if acreage is communitized (pooled) NOTE: Attach a copy of the unit agreement or declaration of pooling. If previously submitted identify the permit number under which it was submitted: Permit No.		
Lease acreage _____ Acres		Does operator own or control the rights to drill and produce coal bed methane in and under all land(s) within the drilling unit boundary and the lease acreage herein indicated and shown on the attached Survey? <input type="checkbox"/> Yes <input type="checkbox"/> No If No, explain the basis upon which the operator claims the right to drill and produce coal bed methane under this permit. Describe the documents that convey the rights by type and date of execution.					
<input type="checkbox"/> Yes <input type="checkbox"/> No		Does this application include a Notice of Intent to Survey and proof of delivery to the surface owner?					

PART III PROPOSED WELL CONSTRUCTION								
<input type="checkbox"/> Check here and go to PART IV if the well presently exists and the construction will not change								
Enter casing strings from largest to smallest and enter the cement information on successive rows for a casing string that will be set using multiple cement stages.								
Casing Information					Cementing Information			
Casing Size (OD)	Casing Type	Casing Bottom	Casing Top	Hole Size	Cement Type	Cement Volume	Volume Type	Cement Yield
		ft.	ft.					
		ft.	ft.					
		ft.	ft.					
		ft.	ft.					
Packer setting depth _____ ft.		Centralizers at _____ ft. _____ ft. _____ ft. _____ ft.						
Packer setting depth _____ ft.		Casing perforated From _____ ft. to _____ ft.						
Packer setting depth _____ ft.		From _____ ft. to _____ ft.						
		From _____ ft. to _____ ft.						
		From _____ ft. to _____ ft.						

PART IV DRILLING AND OPERATIONAL INFORMATION			
Section a All Wells			
Declination type (Check one only) <input type="checkbox"/> Vertical <input type="checkbox"/> Directional <input type="checkbox"/> Horizontal		Note: For Directional & Horizontal wells the surface spot and termination point of the well must be shown on the survey.	
Proposed total vertical depth _____ feet (All wells)		Proposed measured length _____ feet (Horizontal wells only)	
Name of deepest formation to be drilled _____			
Name of deepest coal seam targeted _____			
<input type="checkbox"/> Pool (Name): _____ Or <input type="checkbox"/> Wildcat			

NAMES AND MAILING ADDRESSES OF THE SURFACE OWNER, COAL OWNER(S), COAL LESSEE(S):					
Type Recipient	Name	Address	City	State	Zip code
Surface Owner					
Coal Owner					
Coal Lessee					

Continued on the next page

PART V

PROPOSED WELL DIAGRAM

NOTE: This diagram is required for Coal Bed Methane wells.

WELL CONSTRUCTION

Surface casing		
Setting depth		feet
Size (OD)		in.
Hole size		
Cement top		feet
Cubic feet		

Intermediate casing		
Setting depth		feet
Size (OD)		in.
Hole size		
Cement top		feet
Cubic feet		

Long string		
Setting depth		feet
Size (OD)		in.
Hole size		
Cement top		feet
Cubic feet		

Liner		
Setting depth		feet
Size (OD)		in.
Hole size		
Cement top		feet
Cubic feet		

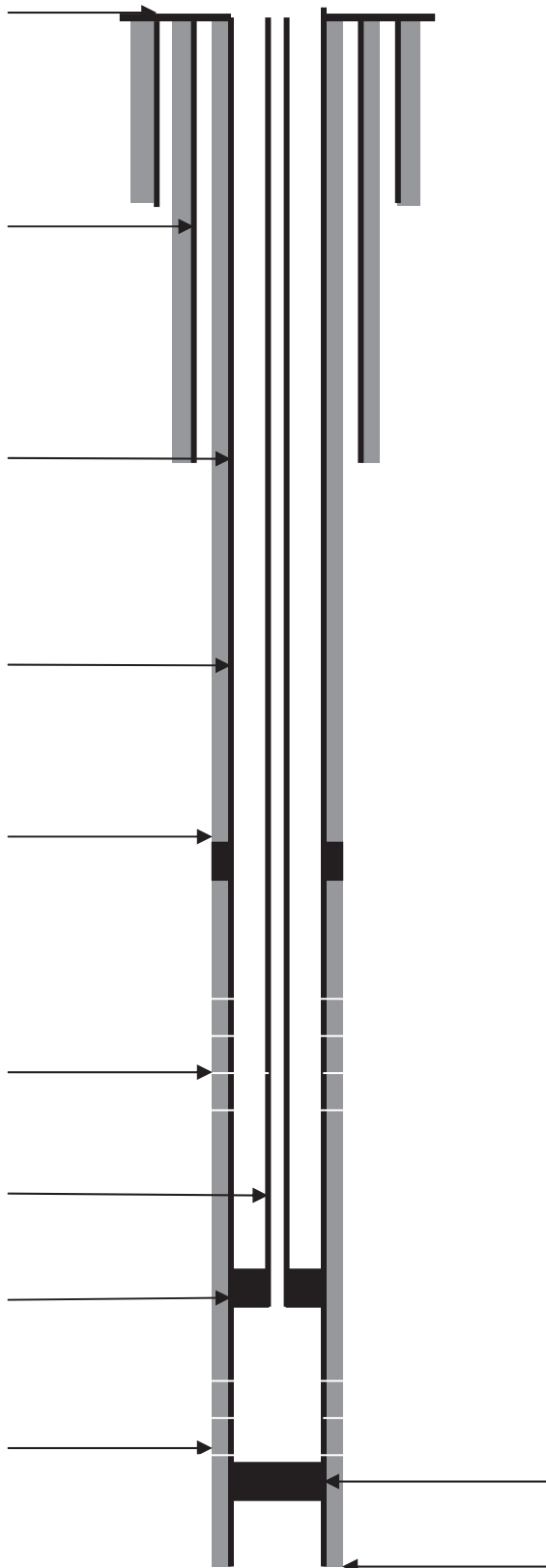
Centralizers		
		ft
		ft
		ft
		ft
		ft

Cement squeeze		
Perf. From	ft. to	ft
Cubic feet		

Tubing		
Setting depth		feet
Size (OD)		in

Packers		
Setting depth		feet
Setting depth		feet
Setting depth		feet

Perforations		
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft



GEOLOGIC INFORMATION

Production zones (Top to bottom)		
Name		
Intervals From	to	ft.
Primary lithology (Check one)		
<input type="checkbox"/> Coal	<input type="checkbox"/> Other	
Name		
Intervals From	to	ft.
Primary lithology (Check one)		
<input type="checkbox"/> Coal	<input type="checkbox"/> Other	
Name		
Intervals From	to	ft.
Primary lithology (Check one)		
<input type="checkbox"/> Coal	<input type="checkbox"/> Other	
Name		
Intervals From	to	ft.
Primary lithology (Check one)		
<input type="checkbox"/> Sandstone	<input type="checkbox"/> Limestone	
Intervals From	to	ft.
Primary lithology (Check one)		
<input type="checkbox"/> Coal	<input type="checkbox"/> Other	
Name		
Intervals From	to	ft.
Primary lithology (Check one)		
<input type="checkbox"/> Coal	<input type="checkbox"/> Other	

Plugback depth	feet
Plugback type (Check all that apply)	
<input type="checkbox"/> CIBP	<input type="checkbox"/> Cement
<input type="checkbox"/> Other (Explain below)	

Total depth	feet
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Continued on next page

PART VI**AFFIRMATION**

I affirm under penalty of perjury that the information provided in this application is true to the best of my knowledge and belief.

Typed or printed name of operator or authorized agent

Signature of operator or authorized agent

Date signed (*month, day, year*)

SPECIAL REQUIREMENTS

1. Incomplete applications will be returned to the operator **without** being processed.
2. **Only** those individuals whose signatures appear in PARTS V and VI of the Organizational Report may sign this form.
3. The name of the operator on this application and the name of the principal on the bond **must** be identical.
4. If you are applying for a Change of Operator permit you are certifying that you have conducted a good faith search for the current operator and said operator could not be located.
5. If you are applying for a new well permit, do not forget to include the **Notice of Intent to Survey** and proof of service required under IC 32-23-7-6.5 that must be sent to the surface owner at least five (5) days prior to entering onto the property for the purpose of surveying the well location. An example of the notice is available on the division's website under Publications/Notices and Examples.

APPLICATION REMINDERS**PART I:**

- Enter the name of the operator exactly as it appears on the Organizational Report.
- If you want to have a copy of the permit certificate faxed to you please check the appropriate box.
- Don't forget to register with the Indiana Secretary of State if you will operate as a Corporation, Limited Liability Company or Limited Partnership.
- Don't forget to attach the \$250 permit fee.
- If a Certificate of Deposit is selected as the Bond Type, don't forget to attach the original CD and original Verification of Certificate form.
- Check **all** of the appropriate boxes under Well Type to indicate which attachments are being submitted with this application. Required attachments **MUST** be included with the application or it will not be processed.
- If no Coal Owner and Coal Lessee (if coal is leased) consent forms are attached and if there is no copy of a written agreement that specifies other terms of notification of the operator's intent to drill a well for coal bed methane, the operator must send a **Notice of Intent to Apply for a CBM Permit** to the Coal Owner and Coal Lessee and submit a copy of the notice along with proof of service and an Affidavit of No Waste of Coal Resources or Miner Endangerment must accompany the application. An example of the Notice of Intent is available on the division's website under Publications/Notices and Examples.
- The Horizontal Drilling Plan and Plugging Plan for Horizontal Well must be submitted only if the proposed well declination is horizontal.
- If the proposed well will be stimulated, a Well Stimulation Plan must be submitted. Otherwise, check the box indicating that the well will not be stimulated.
- The Statement of Protection of Coal for Future Underground Mining must demonstrate that commercially minable coal outside of the coal bed methane production area is adequately protected for future underground mining.
- Examples of the required notices and affidavits may be found on the division's website under Publications – Notices and Examples.

PART II

- For this proposed coal bed methane well, be sure to indicate the distance to the nearest well capable of production from the same formation for which this permit is to be issued and make sure you check the rule requirements on well spacing to avoid placing the well an insufficient distance from an existing well.
- If you check the communitized box you must attach a copy of the pooling agreement or specify the permit number for the well under which the pooling agreement was previously submitted.
- If you check the Other box under the Drilling Unit section make sure to attach a copy of the exception.
- You must indicate that you own or control all of the coal bed methane within the proposed drilling unit before a permit can be issued. If you do not own or control all of the coal bed methane within the proposed drilling unit you must describe the basis upon which you claim the right to drill and operate a well for coal bed methane production.

PART III

- This part is used by the division to determine if your proposed well construction will meet the rule requirements. Please be sure to enter all information about the proposed construction so that it can be evaluated accurately.

PART IV

- For all wells, be sure to specify the proposed total vertical depth, name of the deepest formation to be drilled, lowest coal seam to be targeted and the pool name.
- For horizontal wells, be sure to specify the proposed measured length.
- Include the names and addresses of the surface owner, coal owner(s) and coal lessee(s).

PART V

- The well diagram must be completed for all Coal Bed Methane well applications.
- Indicate the proposed depths of **all** centralizers. Proof of cement should be submitted with the completion report and Form R12–Verification of Coal Seam Protection Report in the form of cement tickets or a cement bond log.

PART VI

- Applications that do not contain an original signature cannot be processed.
- The signature **must** match a signature shown in Parts VI or VII of the operator's Organizational Report.
- If this application is for a Change of Operator your signature in PART VI certifies that you could not obtain this permit through the permit transfer process **ONLY** because the former operator could not be located.

PART VII

- If a coal bed methane well is intended to be hydraulically fractured, on either the well survey plat or a separate map, plot the location of the proposed coal bed methane well, labeling the distances to the closest quarter-quarter section (or other land type) lines. Draw a 500 foot (or the estimated half length of the proposed hydraulic fracture plane) radius circle around the well location. Inside the circle, plot all known water wells and all oil or gas wells that are deep enough to intersect the coal seams and label the oil and gas wells with the assigned permit number.

Important: A permit issued as a result of this application is a license to conduct an activity and does not convey any property rights to the permittee. Consequently, the permittee is solely responsible for acquiring any and all property rights necessary to use the permit for its stated purpose.

PART VII

SURVEY

General Instructions

Use a 1"=1000' scale

Surveyor must complete the following

- Clearly indicate the section township, and range on the survey, spot the well and show the footages from the lines
- Use the surveyor's notes to explain deviations from a standard location such as topography and irregular sections

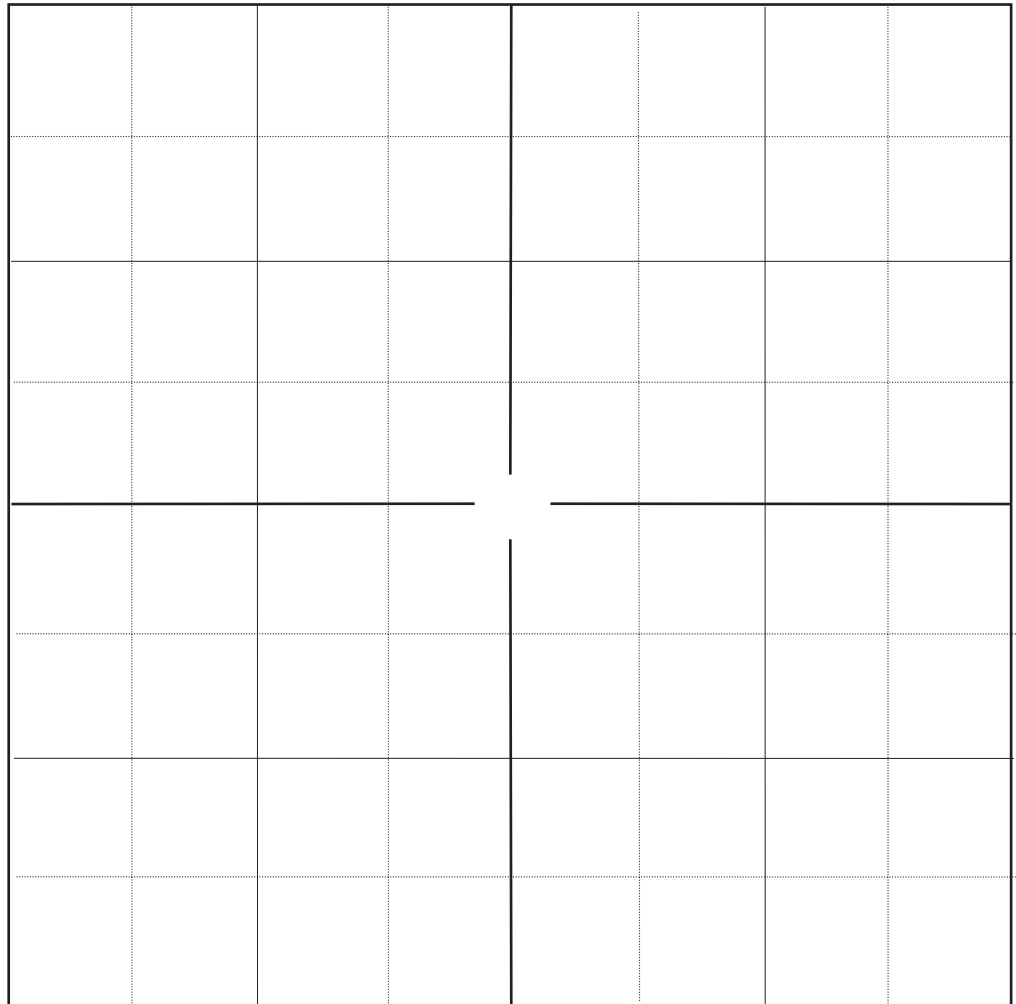
Operator or authorized agent must complete the following

- For oil or gas wells, separately outline the boundary of both of the following:
 - the leased or communitized area; AND the drilling unit allotment
- For all Directional and Horizontal wells show the surface location AND termination point of the well.
- For all Horizontal wells identify the points where each horizontal drainhole enters and departs the target zone.
- For Enhanced Recovery and Saltwater Disposal wells, draw a 1/4 mile radius circle around the proposed well, spot all other wells (plugged or unplugged) that intersect the proposed injection zone(s), and put the permit number of each well over the spot.
- For CBM wells that are intended to be hydraulically fractured, draw a 500 foot radius circle around the proposed well, spot all water wells and other oil or gas wells that intersect the coal seam and put the permit number of the well above the spot.

NOTE: Please show the entire radius circle around the proposed Coal Bed Methane well

SURVEYORS' NOTES:

SURVEYORS' SEAL:



NAD 1983 UTM Zone 16N

UTMx:

UTMy:

Enter UTM's in meters.

R ___ E or W

CERTIFICATION

I hereby certify that to the best of my knowledge and belief, the proposed location of the above described well, fixed as the result of an instrument survey made by me in compliance with the requirements of the laws of Indiana, is truly and correctly set forth hereon.

Signature of registered Indiana land surveyor	Date signed (month, day, year)
Address (number and street or PO, City, State, ZIP code)	Telephone number () -

Special PART VII Requirements

1. You should adjust the location of the center of the section on the diagram so that the entire set of information in the General Instructions shows on a single survey plat. (Example: If a horizontal well will begin in one section but terminate in another you should move the section center point so that portions of both sections appear on the plat)
2. This form **must** contain an original signature and original seal.
3. Coordinates should be based upon NAD 1983 Datum, Universal Transverse Mercator (UTM) Coordinate System, Zone 16N.