

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐Refiling ☐
Sidetrack ☐

Document Number:

400041812

Plugging Bond Surety

20090025

3. Name of Operator: AUGUSTUS ENERGY PARTNERS LLC 4. COGCC Operator Number: 102755. Address: P O BOX 250City: WRAY State: CO Zip: 807586. Contact Name: Loni Davis Phone: (970)332-3585 Fax: (970)332-3587Email: ldavis@augustusenergy.com7. Well Name: Lippert Trust Well Number: 12-01 1S45W

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

9. Proposed Total Measured Depth: 2550

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 1 Twp: 1S Rng: 45W Meridian: 6Latitude: 39.998560 Longitude: -102.373320Footage at Surface: 1630 FNL/FSL 320 FEL/FWL FNL FWL11. Field Name: Duke Field Number: 1889012. Ground Elevation: 3930 13. County: YUMA

14. GPS Data:

Date of Measurement: 02/13/2010 PDOP Reading: 2.3 Instrument Operator's Name: Neal McCormick15. 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 _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 540 ft18. Distance to nearest property line: 320 ft 19. Distance to nearest well permitted/completed in the same formation: 904 ft

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 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 Bon ☐ \$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):
1S45W, Sec. 1: Lot 3, Lot 4, S/2NW/4

25. Distance to Nearest Mineral Lease Line: _____ 320 ft _____ 26. Total Acres in Lease: _____ 132 _____

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: _____

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	9+1/2	7	17	460	200	460	
1ST	6+1/4	4+1/2	10.5	2,600	75	2,500	1,800

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

33. Comments No Conductor casing will be used. This is an expired permit with an existing API # of 05-125-11267-00, the system would not let me put it in the API field. Per our Geologist the Producing formation depth will be less than 2500'

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: Loni J. Davis

Title: Oper. Acctg & Reg. Spec. Date: _____ Email: ldavis@augustusenergy.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	Doc Description
400041828	PLAT	Lippert Trust 12-01_Plat.pdf
400041830	SURFACE AGRMT/SURETY	Lippert Trust 12-01_SUA.pdf
400041831	30 DAY NOTICE LETTER	Lippert Trust 12-01_NOI.pdf
400041917	ACCESS ROAD MAP	Lippert Trust 12-01_Access Road.pdf

Total Attach: 4 Files