

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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| DE | ET | OE | ES |
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Document Number:
400044069
Plugging Bond Surety
20090025

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

3. Name of Operator: AUGUSTUS ENERGY PARTNERS LLC 4. COGCC Operator Number: 10275
 5. Address: P O BOX 250
 City: WRAY State: CO Zip: 80758
 6. Contact Name: Loni Davis Phone: (970)332-3585 Fax: (970)332-3587
 Email: ldavis@augustusenergy.com
 7. Well Name: Crossland State Well Number: 34-36 5N47W
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 2950

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 36 Twp: 5N Rng: 47W Meridian: 6
 Latitude: 40.353260 Longitude: -102.556878
 Footage at Surface: 651 FNL/FSL FSL 2018 FEL/FWL FEL
 11. Field Name: Rock Creek Field Number: 74006
 12. Ground Elevation: 3924 13. County: YUMA

14. GPS Data:
Date of Measurement: 03/26/2010 PDOP Reading: 1.5 Instrument Operator's Name: Chris Pearson

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

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: 651 ft
 18. Distance to nearest property line: 651 ft 19. Distance to nearest well permitted/completed in the same formation: 1132 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Niobrara | NBRR | 351-4 | 160 | SE/4 |

21. Mineral Ownership: Fee State Federal Indian Lease #: 74/7446-S

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):
5N47W, Sec. 36: NE,NW,SE,SW

25. Distance to Nearest Mineral Lease Line: 651 ft 26. Total Acres in Lease: 160

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 | 400 | 200 | 400 | |
| 1ST | 6+1/4 | 4+1/2 | 10.5 | 3,000 | 75 | 3,000 | 2,200 |

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

33. Comments No Conductor Casing will be used

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 | Permit Number: _____ | Expiration Date: _____ |
| 05 | 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 |
|-------------|----------------------|--------------------------------------|
| 400044078 | PLAT | Crossland State 34-36 5N47W_Plat.pdf |
| 400044081 | TOPO MAP | Crossland State 34-36 5N47W_Topo.pdf |
| 400044082 | 30 DAY NOTICE LETTER | Crossland State 34-36 5N47W_NOI.pdf |

Total Attach: 3 Files