

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:

400063485

Plugging Bond Surety

20090025

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: White Well Number: 42-11 1S46W

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

9. Proposed Total Measured Depth: 2499

WELL LOCATION INFORMATION

10. QtrQtr: Lot 26 Sec: 11 Twp: 1S Rng: 46W Meridian: 6

Latitude: 39.985530 Longitude: -102.489450

Footage at Surface: 1532 FNL/FSL FNL 914 FEL/FWL FEL

11. Field Name: Yodel Field Number: 98640

12. Ground Elevation: 3929 13. County: YUMA

14. GPS Data:

Date of Measurement: 05/06/2010 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: 162 ft

18. Distance to nearest property line: 914 ft 19. Distance to nearest well permitted/completed in the same formation: 889 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 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):
1S46W. Sec 11:NE

25. Distance to Nearest Mineral Lease Line: 914 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	20	360	200	360	0
1ST	6+1/2	4+1/2	10.5	2,499	75	2,499	1,699

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

33. Comments No Conductor Casing will be used. This location was abandoned on Berry Petroleum's behalf, but Augustus Energy purchased Berry Petroleum 04/01/09 and Augustus would like to refile this location using the existing API #05-125-10980. A change of operator will be submitted changing the location from Berry to Augustus. All conditions remain the same Change QTR QTR SENE to Lot 26 per email from Loni 6-14-10 JLV

34. Location ID: 338103

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: 5/20/2010 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: David S. Neslin Director of COGCC Date: 6/21/2010

API NUMBER

05 125 10980 00

Permit Number: _____ Expiration Date: 6/20/2012

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.

Rig height cannot exceed 108 feet to comply with Rule 603.a. due to proximity to powerline.

1) Provide 24 hr notice of spud to Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.

2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (360' minimum - as proposed). Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC.

3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

4) If dry hole, set 35 sks cement 50' above Niobrara top, 35 sks cement ½ out, ½ in surface casing, 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

Attachment Check List

Att Doc Num	Name	Doc Description
2554038	SURFACE CASING CHECK	LF@2489926 2554038
400063485	FORM 2 SUBMITTED	LF@2480763 400063485
400063496	WELL LOCATION PLAT	LF@2480764 400063496
400063498	TOPO MAP	LF@2480765 400063498
400063520	30 DAY NOTICE LETTER	LF@2480766 400063520
400063523	SURFACE AGRMT/SURETY	LF@2480594 400063523

Total Attach: 6 Files