

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:

400079975

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 LLC4. 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: Crossland Well Number: 43-28 5N46W

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

9. Proposed Total Measured Depth: 2970

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 28 Twp: 5N Rng: 46W Meridian: 6Latitude: 40.371792 Longitude: -102.495183

| | | | | |
|---------------------|-------------|---------|------------|---------|
| | | FNL/FSL | | FEL/FWL |
| Footage at Surface: | <u>2032</u> | FSL | <u>790</u> | FEL |

11. Field Name: Wages Field Number: 9046012. Ground Elevation: 3883 13. County: YUMA

14. GPS Data:

Date of Measurement: 07/13/2010 PDOP Reading: 1.6 Instrument Operator's Name: Waylon Binger15. 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: 790 ft18. Distance to nearest property line: 595 ft 19. Distance to nearest well permitted/completed in the same formation: 1141 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):
5N46W, Sec 28: SE/4, E2SW

25. Distance to Nearest Mineral Lease Line: 595 ft 26. Total Acres in Lease: 240

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+7/8 | 7 | 20 | 545 | 200 | 545 | 0 |
| 1ST | 6+1/4 | 4+1/2 | 10.5 | 2,970 | 75 | 2,970 | 2,170 |

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 #05-125-09827-00. A change of operator has also been submitted (06/28/10) changing the location from Berry to Augustus. All conditions remain the same.

34. Location ID: 411583

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: 7/27/2010 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: _____ Director of COGCC Date: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05 125 09827 00

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 |
|-------------|----------------------|--------------------------------|
| 400079975 | FORM 2 SUBMITTED | 400079975.pdf |
| 400079990 | PLAT | Crossland 43-28 5N46W_Plat.pdf |
| 400079991 | TOPO MAP | Crossland 43-28 5N46W_Topo.pdf |
| 400079997 | SURFACE AGRMT/SURETY | Crossland 43-28 5N46W_SUA.pdf |
| 400079998 | 30 DAY NOTICE LETTER | Crossland 43-28 5N46W_NOI.pdf |

Total Attach: 5 Files