

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



DE ET OE ES

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:

400069115

Plugging Bond Surety

20080034

3. Name of Operator: BAYSWATER EXPLORATION AND PRODUCTION
LLC

4. COGCC Operator Number: 10261

5. Address: 730 17TH ST STE 610

City: DENVER State: CO Zip: 80202

6. Contact Name: Virginia Lopez Phone: (303)928-7128 Fax: (303)423-8765

Email: virginia@petro-fs.com

7. Well Name: G & D Hanks Well Number: 20-27

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

9. Proposed Total Measured Depth: 7570

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 27 Twp: 7N Rng: 66W Meridian: 6

Latitude: 40.541598 Longitude: -104.761609

Footage at Surface: 1055 FSL 2063 FEL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4880 13. County: WELD

14. GPS Data:

Date of Measurement: 05/05/2010 PDOP Reading: 6.0 Instrument Operator's Name: Travis Kraich

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FSL FEL FNL/FSL FEL/FWL
1055 FSL 1320 FEL 1320 FSL 1320 FEL
Sec: 27 Twp: 7N Rng: 66W Sec: 27 Twp: 7N Rng: 66W

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: 609 ft

18. Distance to nearest property line: 1320 ft 19. Distance to nearest well permitted/completed in the same formation: 933

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-CODELL	NB-CD		160	SE/4

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):
 Township 7 North, Range 66 West, 6th PM, Section 27: Lot B of Recorded Exemption No. 0707-27-4-RE1533, being part of the E2SE (see attached Lease Map).

25. Distance to Nearest Mineral Lease Line: 67 ft 26. Total Acres in Lease: 80

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: Offsite Land Spreading

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	12+1/4	8+5/8	24	840	270	840	0
1ST	7+7/8	4+1/2	11.6	7,570	329	7,570	6,840

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

33. Comments No conductor casing will be used. Bayswater Exploration and Production LLC requests approval of Rule 318Aa exception location: Wellhead is to be located outside of a GWA drilling window.

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: Virginia Lopez

Title: Regulatory Technician Date: 8/13/2010 Email: virginia@petro-fs.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. Nesline Director of COGCC Date: 9/9/2010

API NUMBER

05 123 32205 00

Permit Number: _____ Expiration Date: 9/8/2012

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.

- 1) Note surface casing setting depth change from 600' to 840'. Increase cement coverage accordingly.
- 2) Provide 24 hour notice of MIRU to Ed Binkley at 970-506-9834 or e-mail at ed.binkley@state.co.us
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) Run and submit Directional Survey from TD to base of surface casing. The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name	Doc Description
2621879	MINERAL LEASE MAP	LF@2537755 2621879
400069115	FORM 2 SUBMITTED	LF@2523754 400069115
400069120	TOPO MAP	LF@2523755 400069120
400076150	30 DAY NOTICE LETTER	LF@2523756 400076150
400076151	PLAT	LF@2523757 400076151
400084035	DEVIATED DRILLING PLAN	LF@2523758 400084035
400084589	EXCEPTION LOC WAIVERS	LF@2523759 400084589
400084591	EXCEPTION LOC REQUEST	LF@2523760 400084591

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Per Virginia Lopez, please enter for lease description: "Township 7 North, Range 66 West, 6th PM, Section 27: Lot B of Recorded Exemption No. 0707-27-4-RE1533, being part of the E2SE (see attached Lease Map)." Attached lease map to application as attachment. PVG	9/8/2010 1:32:29 PM
Permit	Holding for Lease Map. Lease is located in the E2SE and is a small lot which is only a portion of the E2SE. PVG	9/8/2010 11:42:17 AM
Permit	Per Virginia Lopez, change location of top of producing zone from 1055 FSL 2063 FEL to 1320 FSL 1320 FEL . PVG Per Virginia Lopez, change distance to mineral lease line from 577' to 67' . PVG Per Virginia Lopez, change the distance to nearest well permitted/completed in the same formation from 1720 to 933. PVG	9/8/2010 10:36:54 AM
Permit	Per Virginia Lopez, change unit acreage from 80 to 160 and change the unit configuration from W2SE4 to SE4 . PVG	9/8/2010 10:15:41 AM
Permit	changed number of acres, unit configuration and deleted surface bond will approval from operator contact. kk	8/16/2010 1:56:18 PM

Total: 5 comment(s)

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