

<b>FORM</b> <b>2</b> Rev 12/05	State of Colorado <b>Oil and Gas Conservation Commission</b> 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES
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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:  
 400156342

Plugging Bond Surety

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: JP Brophy Federal      Well Number: 12-29 4N45W

8. Unit Name (if appl): \_\_\_\_\_      Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 2900

**WELL LOCATION INFORMATION**

10. QtrQtr: SWNW    Sec: 29    Twp: 4N    Rng: 45W    Meridian: 6  
 Latitude: 40.286713      Longitude: -102.431147

Footage at Surface:      2535    feet      FNL      735    feet      FWL

11. Field Name: Eckley      Field Number: 19415

12. Ground Elevation: 3888      13. County: YUMA

14. GPS Data:  
 Date of Measurement: 09/01/2010    PDOP Reading: 1.8    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: 3 mi

18. Distance to nearest property line: 735 ft    19. Distance to nearest well permitted/completed in the same formation: 1250 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	353-4	160	NW/4

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: COC 013290  
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):  
4N45W, Sec 29: All, Sec 30 SE/4  
25. Distance to Nearest Mineral Lease Line: 735 ft 26. Total Acres in Lease: 800

**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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)?  Yes  No  
31. Mud disposal:  Offsite  Onsite **If 28, 29, or 30 are "Yes" a pit permit may be required.**  
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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	9+7/8	7	17	1	438	200	438	0
1ST	6+1/4	4+1/2	10.5	1	2,950	210	2,950	0

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: 5/2/2011 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: 5/29/2011

Permit Number: \_\_\_\_\_ Expiration Date: 5/28/2013

**API NUMBER**  
05 125 11976 00

**CONDITIONS OF APPROVAL, IF ANY:**

**IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.**

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) Provide 24 hr notice of spud to Colby Horton at 970-867-2517 or e-mail at colby.horton@state.co.us.
- 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (438' 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
2566883	SURFACE CASING CHECK
400156342	FORM 2 SUBMITTED
400156412	PLAT
400156414	TOPO MAP
400156416	EXCEPTION LOC WAIVERS
400156417	30 DAY NOTICE LETTER
400156418	SURFACE AGRMT/SURETY
400156471	EXCEPTION LOC REQUEST
400160993	FED. DRILLING PERMIT

Total Attach: 9 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

**BMP**

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<p>To address construction during drilling and all other operations associated with Oil and Gas development throughout Northern Yuma County, Colorado area StormWater Management Plans(SWMP) are in place and in compliance with the Colorado Department of Health and Environment (CDPHE) under Permit # COR-039921.</p> <p>Best Management Practices (BMP's) will be reviewed and maintained prior to, during and after construction of drilling site, laying of flowlines, installation of surface equipment and reclamation of site. Each location's BMP's will vary according to terrain and phase of construction and will be implemented in accordance to SWMP.</p> <p>Regular location inspections will be performed and any BMP's not effectively working will be documented and resolved in a timely manner.</p> <p>Spill Prevention, Control and Countermeasures will be implemented. Should any spills occur they will be cleaned up immediately and effectively to minimize any integration with storm water runoff. General good housekeeping practices will be performed to keep spills at a minimum.</p>

Total: 1 comment(s)