

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:

400164744

PluggingBond SuretyID

20060159

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: BLACK RAVEN ENERGY INC

4. COGCC Operator Number: 10203

5. Address: 1331 17TH STREET - #350

City: DENVER State: CO Zip: 80202

6. Contact Name: Janice Aldstadt Phone: (303)308-1330 Fax: (303)308-1590

Email: jaldstadt@blackravenenergy.com

7. Well Name: Olson Well Number: 943-27-22

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

9. Proposed Total Measured Depth: 3000

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 27 Twp: 9N Rng: 43W Meridian: 6

Latitude: 40.730380 Longitude: -102.125980

Footage at Surface: 1580 feet FNL/FSL 1774 feet FEL/FWL
FNL FWL

11. Field Name: Unnamed Field Number: 85251

12. Ground Elevation: 3637 13. County: PHILLIPS

14. GPS Data:

Date of Measurement: 04/20/2011 PDOP Reading: 3.1 Instrument Operator's Name: Neal E. McCormick

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: 1774 ft

18. Distance to nearest property line: 1089 ft 19. Distance to nearest well permitted/completed in the same formation: 995 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):

NW/4 - Sec. 27, T9N-R43W

25. Distance to Nearest Mineral Lease Line: 870 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 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: Evap & Burial

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+0/0 | 17# | 12 | 450 | 180 | 450 | 0 |
| 1ST | 6+1/4 | 4+1/2 | 10.5# | 12 | 3,000 | 80 | 3,000 | 1,600 |

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

33. Comments No conductor casing will be used. The perforated interval is estimated to be shallower than 2500 ft.

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: Janice Aldstadt

Title: Landman Date: 8/5/2011 Email: jaldstadt@blackravenenergy.

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 G. Nesline

Director of COGCC Date: 8/26/2011

API NUMBER

05 095 06344 00

Permit Number: _____ Expiration Date: 8/25/2013

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) Provide 24 hr notice of spud to Colby Horton at 970-467-2517 or e-mail at colby.horton@state.co.us.
- 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (450' minimum - as proposed).
- 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.

A well being completed deeper than 2500 feet must be 600 feet from a lease line and be at least 1200 feet from a well permitted/producing from the same formation, or requires an approved exception location. per rule 318a.

Attachment Check List

| Att Doc Num | Name |
|-------------|--------------------|
| 400164744 | FORM 2 SUBMITTED |
| 400164754 | TOPO MAP |
| 400164756 | WELL LOCATION PLAT |

Total Attach: 3 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
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Total: 0 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
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