

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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Document Number:

400188969

PluggingBond SuretyID

20080034

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: 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: Kallasandra Moran Phone: (303)928-7128 Fax: (303)962-6237

Email: kmoran@petro-fs.com

7. Well Name: Herrell Well Number: 1-22

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

9. Proposed Total Measured Depth: 7660

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 22 Twp: 7N Rng: 66W Meridian: 6

Latitude: 40.566040 Longitude: -104.756802

Footage at Surface: 702 feet FNL FNL/FSL 718 feet FEL FEL/FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4909 13. County: WELD

14. GPS Data:

Date of Measurement: 05/24/2011 PDOP Reading: 1.6 Instrument Operator's Name: L.K. Stevenson/ PFS

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

Footage at Top of Prod Zone: \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_ Bottom Hole: \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_

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: 604 ft

18. Distance to nearest property line: 341 ft 19. Distance to nearest well permitted/completed in the same formation: 3823 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.)
Codell	CODL		80	E/2 NE/4
Niobrara	NBRR		80	E/2 NE/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 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):

NE/4 Sec. 22 T7N R66W

25. Distance to Nearest Mineral Lease Line: 702 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: \_\_\_\_\_

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	12+1/4	8+7/8	24	0	840	588	840	0
1ST	8+3/4	4+1/2	11.6	0	7,660	808	7,660	0

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

33. Comments No conductor casing will be set.

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: Kallasandra Moran

Title: Regulatory Analyst

Date: 7/28/2011

Email: kmoran@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. Noshin

Director of COGCC Date: 8/31/2011

#### API NUMBER

05 123 34274 00

Permit Number: \_\_\_\_\_ Expiration Date: 8/30/2013

#### 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 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

### Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400188969	FORM 2 SUBMITTED
400188984	30 DAY NOTICE LETTER
400188985	TOPO MAP
400188986	WELL LOCATION PLAT

Total Attach: 4 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	form 2A received.	3/9/2011 1:56:28 PM
Permit	Requesting form 2A.	8/5/2011 10:47:11 AM

Total: 2 comment(s)

## BMP

<u>Type</u>	<u>Comment</u>
Site Specific	<p>Fence the well site after drilling to restrict public and wildlife access.</p> <p>Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris.</p> <p>Spray for noxious weeds, and implement dust control, as needed.</p> <p>Bayswater Exploration and Production, LLC will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land.</p> <p>Construct and maintain gates where any roads used by Bayswater Exploration and Production, LLC cross through fences on the leased premises.</p>
Final Reclamation	<p>All surface restoration shall be accomplished to the satisfaction of Owner.</p> <p>All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.</p> <p>Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).</p>
Construction	<p>Remove only the minimum amount of vegetation necessary for the construction of roads and facilities.</p> <p>Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation.</p> <p>No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.</p>
Interim Reclamation	<p>Utilize only such area around each producing well as is reasonably necessary.</p> <p>Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations.</p> <p>All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.</p>
Planning	<p>When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.</p>
Storm Water/Erosion Control	<p>Use water bars, and other measures to prevent erosion and non-source pollution.</p> <p>Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation.</p> <p>Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).</p>
Drilling/Completion Operations	<p>Use a closed-loop drilling mud system to preclude the use of an earthen reserve pits when available.</p>

Total: 7 comment(s)