

FORM  
2

Rev  
12/05

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400279818

Date Received:

05/18/2012

PluggingBond SuretyID

20100083

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

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

Refiling ☐

Sidetrack ☒

3. Name of Operator: AXIA ENERGY LLC

4. COGCC Operator Number: 10335

5. Address: 1430 LARIMER STREET #400

City: DENVER State: CO Zip: 80202

6. Contact Name: Lisa Smith Phone: (303)857-9999 Fax: (303)450-9200

Email: Ispermitco@aol.com

7. Well Name: Bulldog Well Number: 5-14H-789

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

9. Proposed Total Measured Depth: 20711

WELL LOCATION INFORMATION

10. QtrQtr: Lot 17 Sec: 5 Twp: 7N Rng: 89W Meridian: 6

Latitude: 40.587281 Longitude: -107.408206

Footage at Surface: 592 feet FSL 520 feet FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 6767 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 03/06/2012 PDOP Reading: 1.4 Instrument Operator's Name: Greg Olsen

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

Footage at Top of Prod Zone: FNL/FSL FNL/FSL Bottom Hole: FNL/FSL FNL/FSL  
1114 FSL 756 FWL 600 FNL 600 FEL  
Sec: 5 Twp: 7N Rng: 89W Sec: 32 Twp: 8N Rng: 89W

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: 750 ft

18. Distance to nearest property line: 592 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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	540-3	970	S5:SE;S8:AllS17:N2N2

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):

T7N - R89W: Sec. 5: Lots 8, 9, 16, 17, 18 Sec. 6: Lots 15, 16, 23. Pooling Order 540-8 applies to attached unit configuration map.

25. Distance to Nearest Mineral Lease Line: 0 ft 26. Total Acres in Lease: 324

### 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
CONDUCTOR	20	16	55	0	60	60	60	0
SURF	13+1/2	10+3/4	40.5	0	1,500	545	1,500	0
1ST	9+7/8	7+5/8	29.7	0	8,900	915	8,900	3,000
1ST LINER	6+3/4	5+1/2	20	0	8,800	125	8,800	6,900
2ND LINER	6+3/4	4+1/2	13.5	8800	20,711	1,340	20,711	8,800

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

33. Comments Liner is tapered string 4 1/2" casing to 5 1/2" casing.

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: Lisa Smith

Title: Authorized Agent Date: 5/18/2012 Email: lspermitco@aol.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 7/23/2012

API NUMBER

05 081 07737 01

Permit Number: \_\_\_\_\_ Expiration Date: 7/22/2014

### 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.

Before placing oil/salt based muds in a pit, operator must file and receive prior approval of a Pit Permit, Form 15. COGCC regulations regarding pit permits can be found in Rule 903.a.(3). PIT PERMITTING/REPORTING REQUIREMENTS.

(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) CEMENT ON PRODUCTION CASING MUST BE AT LEAST 200' ABOVE TOP OF FT. UNION AND COMPLY WITH RULES 209 AND 317.I. SEGREGATE OIL, GAS, AND FRESH-WATER-BEARING ZONES AND PROTECT COAL SEAMS. VERIFY TOP WITH CBL.

- Provide cement coverage from the intermediate casing shoe to a minimum of 200' above Niobrara [or other shallowest-known producing horizon]. Verify cement with a cement bond log.

- If the production liner is cemented, verify cement with a cement bond log.

(3) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 340 FEET DEEP.

### **Attachment Check List**

Att Doc Num	Name
1533181	UNIT CONFIGURATION MAP
400279818	FORM 2 SUBMITTED
400285958	WELL LOCATION PLAT
400285959	DEVIATED DRILLING PLAN
400285960	DIRECTIONAL DATA

Total Attach: 5 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Per oper. surface owner is mineral owner. No LGD or public comments. Final Review--passed.	7/16/2012 2:36:56 PM
Permit	Spacing Order 540-3 approved 5/12. Pooling Order 540-8 approved 5/12. Attached unit configuration map.	5/1/2012 1:17:46 PM
Permit	oper. changed #22 to "YES" since surface owner does own minerals per oper. Changed 22a to "YES" and removed surface bond. Need SUA.	5/21/2012 9:26:30 AM

Total: 3 comment(s)

### **BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>

Total: 0 comment(s)