

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:

400333454

Date Received:

10/18/2012

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: Julie L. Padilla Phone: (303)928-7128 Fax: (303)476-1645

Email: jpadilla@petro-fs.com

7. Well Name: Kaiser Well Number: 28-10

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

9. Proposed Total Measured Depth: 7339

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 10 Twp: 6N Rng: 65W Meridian: 6

Latitude: 40.506850 Longitude: -104.651590

Footage at Surface: 611 feet FNL/FSL 2028 feet FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4787 13. County: WELD

14. GPS Data:

Date of Measurement: 07/31/2012 PDOP Reading: 1.6 Instrument Operator's Name: Alan Hnizdo

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

Footage at Top of Prod Zone: FNL/FSL 75 FNL 2571 FWL FWL Bottom Hole: FNL/FSL 75 FNL 2571 FWL FWL  
Sec: 10 Twp: 6N Rng: 65W Sec: 10 Twp: 6N Rng: 65W

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: 730 ft

18. Distance to nearest property line: 585 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1000 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		160	GWA
Greenhorn	GRNHN		160	GWA
Niobrara	NBRR		160	GWA
Parkman	PRKM		160	GWA

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):  
T6N-R65W, Sec. 10 E/2NW/4, NE/4

25. Distance to Nearest Mineral Lease Line: 75 ft 26. Total Acres in Lease: 240

### 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

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+5/8	24	0	650	455	650	0
1ST	7+7/8	4+1/2	11.6	0	7,339	254	7,339	3,400

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

33. Comments No Conductor casing will be set. Form 2A to amend the location has been submitted. Well will be twinned with Kaiser 18-10; 21-10; and 2-10 Unit configuration consists of Sec. 3: SESW/4, SWSE/4, Sec. 10: NENW/4, NWNE/4 Noble Energy, Inc. holds the lease in SESW & SWSE of Sec 3, (75' away). They have been notified and had no objections.

34. Location ID: 310453

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: Julie L. Padilla

Title: Regulatory Manager Date: 10/18/2012 Email: jpadilla@petro-fs.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: Matthew Lee Director of COGCC Date: 11/30/2012

#### API NUMBER

05 123 36334 00

Permit Number: \_\_\_\_\_ Expiration Date: 11/29/2014

#### 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.

Operator must meet Water Well Testing requirements as per amended Rule 318Ae(4)

1)Provide notice of MIRU via an electronic Form 42.

2)Comply with Rule 317.i and provide cement coverage from the 4.5" casing TD to a minimum of 200' above the Niobrara and from 200' below Parkman to 200' above Parkman. Verify coverage with a cement bond log.

### **Applicable Policies and Notices to Operators**

Notice Concerning Operating Requirements for Wildlife Protection.

### **Attachment Check List**

Att Doc Num	Name
1699159	WAIVERS
1699160	PROPOSED SPACING UNIT
1699173	PROPOSED SPACING UNIT
400333454	FORM 2 SUBMITTED
400336968	WELL LOCATION PLAT
400336970	DEVIATED DRILLING PLAN
400336972	30 DAY NOTICE LETTER
400336988	DIRECTIONAL DATA
400337432	EXCEPTION LOC REQUEST
400337464	LEGAL/LEASE DESCRIPTION
400338297	LOCATION DRAWING

Total Attach: 11 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Corrected Lease Description, Distance to lease line, and acres in lease as per opr. Added comments describing unit configuration as per opr. Final Review Completed. No LGD or public comment received.	11/29/2012 10:26:06 AM
Permit	Attached proposed spacing letter to the director.	11/6/2012 1:25:05 PM
Permit	Deleted spacing order number for GWA wellbore spacing unit. Operator requests approval of a Rule 318Aa and Rule 318Ae exception location: Wellhead is to be located outside of a GWA drilling window and the well will be drilled to a 318Ae infill location from outside of a GWA drilling window. Request and waivers attached. Form 2A to amend this location is submitted (Doc 400336991) Well will be twinned with Kaiser 18-10; 21-10; and 2-10. Ready to pass pending public comment on 2A 11/16/12.	10/24/2012 11:45:44 AM
Permit	Operator removed superfluous attachments and information not associated with well 28-10. This form passed completeness.	10/23/2012 2:36:04 PM
Permit	Return to draft: 1. BHL footage submitted (2571') does not match well location plat (2571' FWL), 2. 30 day notice attachments include additional wells; remove superfluous wells that are not the 28-10.	10/21/2012 3:19:53 PM

Total: 5 comment(s)

## BMP

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

Total: 7 comment(s)