

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:

400349627

Date Received:

12/07/2012

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: Scott Ritger Phone: (303)887-9266 Fax: (303)308-1590

Email: sritger@ticdenver.com

7. Well Name: Nichols Well Number: 11

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

9. Proposed Total Measured Depth: 5740

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 24 Twp: 1N Rng: 58W Meridian: 6

Latitude: 40.039760 Longitude: -103.817142

Footage at Surface: 1650 feet FNL/FSL 1650 feet FEL/FWL FEL

11. Field Name: Adena Field Number: 700

12. Ground Elevation: 4552 13. County: MORGAN

14. GPS Data:

Date of Measurement: 10/07/2011 PDOP Reading: 3.1 Instrument Operator's Name: Theresa McCollom

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: 700 ft

18. Distance to nearest property line: 990 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 663 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.)
D Sand	DSND	26-60	1200	see order 26-60

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#: 20110164

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):

E/2 of Section 24, T1N R58W, 6th Prime Meridian

25. Distance to Nearest Mineral Lease Line: 990 ft

26. Total Acres in Lease: 320

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: No drilling mud will be used.

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	109	90	109	0
1ST	7+7/8	5+1/2	15.5	0	5,740	224	5,740	4,447

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

33. Comments Nearest above ground utility (700') is the line that brings power in to the south side of the Nichols #3 location. Distance to the nearest property line (990') is to the W/2 of section 24 T1N R58W. Nearest well in the same formation (663') is the Nichols #3. This well is currently a shut-in J sand producer in Adena field. Plan to set a CIBP and cement above the current J sand perms and recompleting the well to the D sand. A form 2A is not required for this recompletion because no pit will be constructed and there will be no surface disturbance beyond the originally disturbed area. No conductor casing was set when this well was drilled; the casing consists of surface casing and a production string.

34. Location ID: 313678

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: Scott Ritger

Title: Geologist Date: 12/7/2012 Email: sritger@ticdenver.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: 12/31/2012

API NUMBER

05 087 05225 00

Permit Number: _____ Expiration Date: 12/30/2014

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.

- 1) Provide remedial cement from 200' to at least 50' above surface casing shoe.
- 2) Run CBL. Top of cement must be at least 200' above the proposed D-Sand completion.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2544874	SURFACE CASING CHECK
400349627	FORM 2 SUBMITTED
400355562	WELLBORE DIAGRAM

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	12/31/2012 9:20:11 AM
Permit	Initial review complete.	12/17/2012 2:38:23 PM
Permit	This form passed completeness.	12/8/2012 12:58:02 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)