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Submit By Other Operator

Document Number:

401808355

Date Received:

SUNDRY NOTICE

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number:	10711	Contact Name	Keith	Hubbard
Name of Operator:	PAINTED PEGASUS PETROLEUM LLC		Phone:	(713) 510-0150
Address:	11511 KATY FREEWAY #600C		Fax:	()
City:	HOUSTON	State:	TX	Zip: 77079
Email: khubbard@p3petro.com				

Complete the Attachment Checklist

OP OGCC

API Number :		05-	001	09631	00	OGCC Facility ID Number:		290286
Well/Facility Name:		EGAN STATE				Well/Facility Number:		23-36
Location	QtrQtr:	NESW	Section:	36	Township:	2S	Range:	65W
							Meridian:	6
County:		ADAMS		Field Name:		WATTENBERG		
Federal, Indian or State Lease Number:								

Survey Plat		
Directional Survey		
Srvc Eqpmnt Diagram		
Technical Info Page		
Other		

CHANGE OF LOCATION OR AS BUILT GPS REPORT

☐ Change of Location * ☐ As-Built GPS Location Report ☐ As-Built GPS Location Report with Survey

* Well location change requires new plat. A substantive surface location change may require new Form 2A.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude _____ PDOP Reading _____ Date of Measurement _____
Longitude _____ GPS Instrument Operator's Name _____

LOCATION CHANGE (all measurements in Feet)

Well will be: (Vertical, Directional, Horizontal)

Change of **Surface** Footage **From** Exterior Section Lines:

Change of **Surface** Footage To Exterior Section Lines:

Current **Surface** Location From QtrQtr **NESW** Sec **36**

New **Surface** Location To QtrQtr Sec

Change of **Top of Productive Zone** Footage **From** Exterior Section Lines:

Change of **Top of Productive Zone** Footage To Exterior Section Lines:

Current	Top of Productive Zone Location	From	Sec

New **Top of Productive Zone** Location To Sec

Change of **Bottomhole** Footage **From** Exterior Section Lines:

Change of **Bottomhole** Footage To Exterior Section Lines:

Current **Bottomhole** Location Sec Twp

New **Bottomhole** Location Sec Twp

Is location in High Density Area?

Distance, in feet, to nearest building _____, public road: _____, above ground utility: _____, railroad: _____,

property line: _____, lease line: _____, well in same formation: _____

Ground Elevation feet Surface owner consultation date

FNL/FSL		FEL/FWL	
1982	FSL	1984	FWL
Twp 2S	Range 65W	Meridian 6	
Twp	Range	Meridian	
			**
Twp	Range		
Twp	Range		
			**
Range		** attach deviated drilling plan	
Range			

** attach deviated drilling plan

CHANGE OR ADD OBJECTIVE FORMATION AND/OR SPACING UNIT

<u>Objective Formation</u>	<u>Formation Code</u>	<u>Spacing Order Number</u>	<u>Unit Acreage</u>	<u>Unit Configuration</u>

OTHER CHANGES

☐ **REMOVE FROM SURFACE BOND** Signed surface use agreement is a required attachment

☐ **CHANGE OF WELL, FACILITY OR OIL & GAS LOCATION NAME OR NUMBER**

From: Name EGAN STATE Number 23-36 Effective Date: _____

To: Name _____ Number _____

☐ **ABANDON PERMIT: Permit can only be abandoned if the permitted operation has NOT been conducted. Field inspection will be conducted to verify site status.**

☐ WELL: Abandon Application for Permit-to-Drill (Form2) – Well API Number _____ has not been drilled.

☐ PIT: Abandon Earthen Pit Permit (Form 15) – COGCC Pit Facility ID Number _____ has not been constructed (Permitted and constructed pit requires closure per Rule 905)

☐ CENTRALIZED E&P WASTE MANAGEMENT FACILITY: Abandon Centralized E&P Waste Management Facility Permit (Form 28) – Facility ID Number _____ has not been constructed (Constructed facility requires closure per Rule 908)

OIL & GAS LOCATION ID Number: _____

☐ Abandon Oil & Gas Location Assessment (Form 2A) – Location has not been constructed and site will not be used in the future.

☐ Keep Oil & Gas Location Assessment (Form 2A) active until expiration date. This site will be used in the future.

Surface disturbance from Oil and Gas Operations must be reclaimed per Rule 1003 and Rule 1004.

☐ **REQUEST FOR CONFIDENTIAL STATUS**

☐ **DIGITAL WELL LOG UPLOAD**

☐ **DOCUMENTS SUBMITTED** Purpose of Submission: _____

RECLAMATION**INTERIM RECLAMATION**

☐ Interim Reclamation will commence approximately _____

Per Rule 1003.e.(3) operator shall submit Sundry Notice reporting interim reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Interim reclamation complete, site ready for inspection.

Per Rule 1003.e(3) describe interim reclamation procedure in Comments below or provide as an attachment and attach required location photographs.

Field inspection will be conducted to document Rule 1003.e. compliance

FINAL RECLAMATION

☐ Final Reclamation will commence approximately _____

Per Rule 1004.c.(4) operator shall submit Sundry Notice reporting final reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Final reclamation complete, site ready for inspection. Per Rule 1004.c(4) describe final reclamation procedure in Comments below or provide as an attachment.

Field inspection will be conducted to document Rule 1004.c. compliance

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

☐ NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned _____ Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT _____

☐ SPUD DATE: _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

☒ NOTICE OF INTENT Approximate Start Date 11/01/2018

☐ REPORT OF WORK DONE Date Work Completed _____

- | | | |
|--|---|--|
| <input type="checkbox"/> Intent to Recomplete (Form 2 also required) | <input checked="" type="checkbox"/> Request to Vent or Flare | <input type="checkbox"/> E&P Waste Mangement Plan |
| <input type="checkbox"/> Change Drilling Plan | <input type="checkbox"/> Repair Well | <input type="checkbox"/> Beneficial Reuse of E&P Waste |
| <input type="checkbox"/> Gross Interval Change | <input type="checkbox"/> Rule 502 variance requested. Must provide detailed info regarding request. | |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases | |

COMMENTS:

Request to flare is being made as a result of Anadarko shutting down their Third Creek System which was the gas sales outlet for the Egan State 23-36. It is estimated that 35 MCFD will be flared in a onsite combustor. No hydrogen sulfide is present in the gas. All gas produced from the Painted Pegasus Petroleum operated wells on this lease is sold and allocated back from a single meter at the Egan State Lease. A gas analysis from this meter is attached.

CASING AND CEMENTING CHANGES

Casing Type	Size	Of	/	Hole	Size	Of	/	Casing	Wt/Ft	Csg/LinTop	Setting Depth	Sacks of Cement	Cement Bottom	Cement Top

H2S REPORTING

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million) Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

Best Management Practices

<u>No</u>		<u>BMP/COA Type</u>	<u>Description</u>

Operator Comments:

This flaring request is made necessary by the shutting down of the Anadarko Third Creek Gathering System. The Egan State 23-36 was making over 3 BOPD and approximately 35 MCFD when the shut in took place. Oil Revenue dominates the economics of this lease. At this stage of the shut in no timely alternatives appear viable to reestablish beneficial gas deposition and the length of this request to flare is unknown at this time.

-The flaring units being purchased and installed will be equal to the standard Cimarron Equipment 98+ enclosed combustors.

- At this point we have no idea if or when the wells will be reconnected to a pipeline. Obviously the most desired outcome would be the reopening of the Third Creek System by Anadarko, a third party or a producer consortium. Lacking clarity of what is likely to happen, any date would be nothing but a guess. If Third Creek is not reopened, the dates for reconnecting to pipeline will be different for each lease but will almost certainly be over a year if at all.

- Painted Pegasus Petroleum initially explored unsuccessfully if there were any easy ways to monetize the flared gas. Most options considered were expensive and uneconomic, difficult, requiring long regulatory approval and long construction lead times. At this stage of the shut in, committing to this level of evaluation is not practical especially in light of not knowing the future pipeline options. These types of creative gas uses will first likely be considered and employed at other more prolific Painted Pegasus Petroleum leases which are not able to be flared.

- Any flaring will be compliant to all CDPHE requirements. An environmental consultant has been deployed to assist in securing all necessary permits.

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Keith Hubbard
Title: VP of Wells Email: khubbard@p3petro.com Date: _____

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____ Date: _____

CONDITIONS OF APPROVAL, IF ANY:

<u>COA Type</u>	<u>Description</u>

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401808449	OTHER
401808451	GAS ANALYSIS REPORT

Total Attach: 2 Files