

State of Colorado
Oil and Gas Conservation Commission

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



DE	ET	OE	ES
----	----	----	----

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 Eqpmt 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:

FNL/FSL		FEL/FWL	
1982	FSL	1984	FWL

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

--	--	--	--

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

Twp 2S Range 65W Meridian 6

New **Surface Location To** QtrQtr _____ Sec _____

Twp _____ Range _____ Meridian _____

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 _____

Twp _____ Range _____

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

Twp _____ Range _____

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

--	--	--	--

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

				**
--	--	--	--	----

Current **Bottomhole Location** Sec _____ Twp _____ Range _____

** attach deviated drilling plan

New **Bottomhole Location** Sec _____ Twp _____ Range _____

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 _____

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:

<u>Best Management Practices</u>		
<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