

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

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

Refiling ☒

Sidetrack ☐

Document Number:

400055462

Plugging Bond Surety

20090025

3. Name of Operator: AUGUSTUS ENERGY PARTNERS LLC

4. COGCC Operator Number: 10275

5. Address: P O BOX 250

City: WRAY State: CO Zip: 80758

6. Contact Name: Loni Davis Phone: (970)332-3585 Fax: (970)332-3587

Email: ldavis@augustusenergy.com

7. Well Name: Barber Well Number: 11-18 5N46W

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

9. Proposed Total Measured Depth: 2950

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 18 Twp: 5N Rng: 46W Meridian: 6

Latitude: 40.408150 Longitude: -102.548570

Footage at Surface: 534 FNL/FSL 405 FEL/FWL FWL

11. Field Name: Rock Creek Field Number: 74006

12. Ground Elevation: 3931 13. County: YUMA

14. GPS Data:

Date of Measurement: 04/10/2010 PDOP Reading: 2.7 Instrument Operator's Name: Neal McCormick

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: 405 ft

18. Distance to nearest property line: 405 ft 19. Distance to nearest well permitted/completed in the same formation: 1336 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	351-4	160	NW/4

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):
5N47W, Sec. 12: S/2, 5N46W, Sec 18: NW/4

25. Distance to Nearest Mineral Lease Line: 405 ft 26. Total Acres in Lease: 480

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	9+1/2	7	20	470	200	470	0
1ST	6+1/2	4+1/2	10.5	2,950	75	2,950	2,150

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

33. Comments no Conductor Casing will be used. This location was abandoned on Berry Petroleum's behalf, but Augustus Energy purchased Berry Petroleum 04/01/09 and Augustus would like to refile this location using the existing API #. A change of operator has also been submitted (3/05/10) changing the location from Berry to Augustus. Lease description from Sec 18: NW to Sec 18: NW/4 per phone call to Loni on 5-14-10 JLV

34. Location ID: 411512

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: Loni J. Davis

Title: Oper. Acctg. & Reg. Spec. Date: 4/15/2010 Email: ldavis@augustusenergy.com

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: David G. Neslin Director of COGCC Date: 5/14/2010

API NUMBER

05 125 09427 00

Permit Number: _____ Expiration Date: 5/13/2012

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 24 hr notice of spud to Colby Horton at 970-867-2517 or e-mail at colby.horton@state.co.us. 2) Set at least 470' of surface casing per Rule 317d due to WW depths, and at least 50' into Pierre Shale. Cement to surface. 3) At least 200' of cement coverage required above Niobrara if production casing is set. Run and submit cement bond log. 4) If dry hole, set 35 sks cement 50' above Niobrara top, 35 sks cement ½ out, ½ in surface casing, 10 sks cement at top of surface casing, cut casing 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

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Attachment Check List

Att Doc Num	Name	Doc Description
2553494	SURFACE CASING CHECK	LF@2472196 2553494
400055462	FORM 2 SUBMITTED	LF@2454259 400055462
400055480	WELL LOCATION PLAT	LF@2454260 400055480
400055481	TOPO MAP	LF@2454261 400055481
400055482	30 DAY NOTICE LETTER	LF@2454262 400055482
400055484	SURFACE AGRMT/SURETY	LF@2454263 400055484

Total Attach: 6 Files