

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



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

Document Number:

400065764

Plugging Bond Surety

20090025

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☐ COALBED ☐ OTHER Disposal

SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☐

Refiling ☐

Sidetrack ☐

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: Augustus WDW Well Number: 14-22 2S45W

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

9. Proposed Total Measured Depth: 3900

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 22 Twp: 2S Rng: 45W Meridian: 6

Latitude: 39.861820 Longitude: -102.409260

Footage at Surface: 330 FNL/FSL FSL FEL/FWL 255 FWL

11. Field Name: Tierra Plano Field Number: 80980

12. Ground Elevation: 3952 13. County: YUMA

14. GPS Data:

Date of Measurement: 05/13/2010 PDOP Reading: 1.6 Instrument Operator's Name: Eric Johnson

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: 255 ft

18. Distance to nearest property line: 255 ft 19. Distance to nearest well permitted/completed in the same formation: 1748 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.)
Dakota	DKTA			
Lakota	LKTA			
Morrison	MRSN			

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#: 20090026

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 Bon ☐ \$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):
2S45W, Sec. 22: S/2

25. Distance to Nearest Mineral Lease Line: 255 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 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+7/8	7+5/8	17	230	200	230	0
1ST	6+1/4	4+1/2	10.5	3,900	250	3,900	200

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

33. Comments No Conductor Casing will be used. Augustus purchased a 5 acre tract in the SWSW/4 for this disposal facility, we do not have any minerals under this 5 acre tract.

34. Location ID: _____

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: 6/3/2010 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 S. Neslin Director of COGCC Date: 6/30/2010

API NUMBER

05 125 11888 00

Permit Number: _____ Expiration Date: 6/29/2012

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 Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us.
- 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (230' minimum - as proposed). Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC.
- 3) Provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) Approval of this permit does not authorize injection. Approval of COGCC Forms 31 and 33 required prior to injection.

1) Provide 24 hr notice of spud to Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us. 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (230' minimum - as proposed). Setting surface casing less than the approved depth is a permit violation unless prior written approval is obtained from the COGCC. 3) Provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 4) Approval of this permit does not authorize injection. Approval of COGCC Forms 31 and 33 required prior to injection.

Attachment Check List

Att Doc Num	Name	Doc Description
2554135	SURFACE CASING CHECK	LF@2492973 2554135
400065764	FORM 2 SUBMITTED	LF@2485645 400065764
400065782	WELL LOCATION PLAT	LF@2485648 400065782
400065783	TOPO MAP	LF@2485649 400065783
400065785	30 DAY NOTICE LETTER	LF@2485650 400065785

Total Attach: 5 Files