

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
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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:
 400161226
 Plugging Bond Surety

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: JP Brophy Federal Well Number: 14-21 4N45W
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 2850

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 21 Twp: 4N Rng: 45W Meridian: 6
 Latitude: 40.295728 Longitude: -102.412018
 Footage at Surface: FNL/FSL FEL/FWL
795 feet FSL 853 feet FWL
 11. Field Name: Old Baldy Field Number: 60630
 12. Ground Elevation: 3838 13. County: YUMA

14. GPS Data:
 Date of Measurement: 09/01/2010 PDOP Reading: 1.8 Instrument Operator's Name: Chris Pearson

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: 3770 ft
 18. Distance to nearest property line: 1715 ft 19. Distance to nearest well permitted/completed in the same formation: 1598 ft

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	350-3	160	SW/4

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

21. Mineral Ownership: Fee State Federal Indian Lease #: COC019832
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 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):
4N45W, Sec 14: N2NE, S2N2, N2SW, Sec. 17: NENW, NESE, Sec. 18: NWNW, SWNW, SENW, Sec. 21: SW, SENW, Sec. 22: NWSW, Sec. 24: S2NE
25. Distance to Nearest Mineral Lease Line: 795 ft 26. Total Acres in Lease: 840

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: _____
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	9+7/8	7	17	1	400	200	400	0
1ST	6+1/4	4+1/2	10.5	1	2,850	200	2,850	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None
33. Comments No Conductor Casing will be used.

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: 5/4/2011 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. Nesline Director of COGCC Date: 5/29/2011

API NUMBER
05 125 11978 00

Permit Number: _____ Expiration Date: 5/28/2013

CONDITIONS OF APPROVAL, IF ANY: _____

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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 970-467-2517 or e-mail at colby.horton@state.co.us.
- 2) Note increased surface casing depth. Set at least 400' of surface casing per Rule 317d due to WW depths. Setting depth must also be at least 50' into Pierre Shale. Cement to surface.
- 3) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with 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.

Attachment Check List

Att Doc Num	Name
2566876	SURFACE CASING CHECK
400161226	FORM 2 SUBMITTED
400161348	PLAT
400161350	TOPO MAP
400161354	30 DAY NOTICE LETTER
400161355	SURFACE AGRMT/SURETY
400161566	FED. DRILLING PERMIT

Total Attach: 7 Files

General Comments

User Group	Comment	Comment Date
Permit	Federal minerals. Removed plugging bond. plg.	5/25/2011 10:22:28 AM

Total: 1 comment(s)

BMP

Type	Comment
Drilling/Completion Operations	<p>To address construction during drilling and all other operations associated with Oil and Gas development throughout Northern Yuma County, Colorado area StormWater Management Plans(SWMP) are in place and in compliance with the Colorado Department of Health and Environment (CDPHE) under Permit # COR-039921.</p> <p>Best Management Practices (BMP's) will be reviewed and maintained prior to, during and after construction of drilling site, laying of flowlines, installation of surface equipment and reclamation of site. Each location's BMP's will vary according to terrain and phase of construction and will be implemented in accordance to SWMP.</p> <p>Regular location inspections will be performed and any BMP's not effectively working will be documented and resolved in a timely manner.</p> <p>Spill Prevention, Control and Countermeasures will be implemented. Should any spills occur they will be cleaned up immediately and effectively to minimize any integration with storm water runoff. General good housekeeping practices will be performed to keep spills at a minimum.</p>

Total: 1 comment(s)