

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:

400229367

PluggingBond SuretyID

20060159

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

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

Refiling ☐

Sidetrack ☐

3. Name of Operator: BLACK RAVEN ENERGY INC

4. COGCC Operator Number: 10203

5. Address: 1331 17TH STREET - #350

City: DENVER State: CO Zip: 80202

6. Contact Name: Janice Aldstadt Phone: (303)308-1330 Fax: (303)308-1590

Email: jaldstadt@blackravenenergy.com

7. Well Name: Sagehorn Well Number: 844-3-21-L3

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

9. Proposed Total Measured Depth: 2700

WELL LOCATION INFORMATION

10. QtrQtr: LOT 3 Sec: 3 Twp: 8N Rng: 44W Meridian: 6

Latitude: 40.702210 Longitude: -102.253060

Footage at Surface: 990 feet FNL 1789 feet FWL

11. Field Name: AMHERST Field Number: 2480

12. Ground Elevation: 3752 13. County: PHILLIPS

14. GPS Data:

Date of Measurement: 11/18/2011 PDOP Reading: 1.8 Instrument Operator's Name: ROBERT RUBINO

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: 990 ft

18. Distance to nearest property line: 990 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1500 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 | | | |

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):

T8N-R44W SECTION 3 - LOTS 1, 2, 3, 4 & N/2

25. Distance to Nearest Mineral Lease Line: 990 ft

26. Total Acres in Lease: 515

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: EVAP & BURIAL

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+0/0 | 17 | 12 | 450 | 180 | 450 | 0 |
| 1ST | 6+1/4 | 4+1/2 | 10.5 | 12 | 2,700 | 80 | 2,700 | 1,600 |

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

33. Comments NO CONDUCTOR CASING WILL BE USED. THE PERFORATED INTERVAL IS ESTIMATED TO BE SHALLOWER THAN 2500 FEET. Black Raven Energy is requesting Expedited Approval of Forms 2 & 2A (Rule 303.1) due to exigent circumstances and therefore has attached a copy of the surface owner waiver as part of this application.

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: JANICE ALDSTADT

Title: LANDMAN Date: 12/9/2011 Email: jaldstadt@blackravenenergy.

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: 12/19/2011

API NUMBER

05 095 06393 00

Permit Number: _____ Expiration Date: 12/18/2013

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 Jim Precup at 303-469-1902 or e-mail at james.precup@ state.co.us.
- 2) Set surface casing at least 50' into Pierre Shale for aquifer coverage, (450' minimum - as proposed).
- 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.

A well being completed at a depth of 2500 feet or more must be 600 feet from a lease line and be at least 1200 feet from a well permitted/producing from the same formation, or requires an approved exception location. per rule 318a.

Attachment Check List

| Att Doc Num | Name |
|-------------|--------------------|
| 2531600 | VARIANCE REQUEST |
| 2531629 | WAIVERS |
| 400229367 | FORM 2 SUBMITTED |
| 400229756 | WELL LOCATION PLAT |
| 400229758 | TOPO MAP |
| 400230983 | WAIVERS |

Total Attach: 6 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | No LGD or public comment received; final review completed. | 12/19/2011 11:37:09 AM |
| Permit | Exigent variance approved 12/16/2011 | 12/19/2011 11:36:46 AM |
| Permit | Operator is seeking exigent circumstances to meet drilling obligations. Waivers attached | 12/12/2011 5:51:26 AM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)