

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

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



Document Number:

400447930

Date Received:

07/25/2013

PluggingBond SuretyID

20080034

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: BAYSWATER EXPLORATION AND PRODUCTION LLC 4. COGCC Operator Number: 102615. Address: 730 17TH ST STE 610City: DENVER State: CO Zip: 802026. Contact Name: Ann L. Stephens Phone: (303)928-7128 Fax: ()Email: astephens@petro-fs.com7. Well Name: Windsor LV Well Number: B-14H

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

9. Proposed Total Measured Depth: 11976

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 14 Twp: 6N Rng: 67W Meridian: 6Latitude: 40.490860 Longitude: -104.852250

Footage at Surface: 1245 feet FNL/FSL FNL 265 feet FEL/FWL FEL

11. Field Name: Wattenberg Field Number: 9075012. Ground Elevation: 4845 13. County: WELD

14. GPS Data:

Date of Measurement: 04/26/2013 PDOP Reading: 1.5 Instrument Operator's Name: Wyatt Hall15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 495 FNL 460 FEL 495 FNL 460 FWL 495 FNL 460 FWL
 Sec: 14 Twp: 6N Rng: 67W Sec: 14 Twp: 6N Rng: 67W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 254 ft18. Distance to nearest property line: 265 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 400 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.)
CODELL	CODL		320	GWA

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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):

T6N, R67W, Sec. 14: N/2

25. Distance to Nearest Mineral Lease Line: 460 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 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	12+1/4	9+5/8	36	0	700	372	700	0
1ST	8+3/4	7	26	0	7700	577	7700	0
1ST LINER	6+1/8	4+1/2	11.6	6700	11976			

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

33. Comments Operator requests an exception per Rule 318Aa. SHL is not in a legal window. Spacing unit is 407-87, hearing 7/29/13 to increase density. Unit configuration is N/2 N/2 of Sec. 14, 160 acres (the spacing unit exhibit includes Sec. 11, which is incorrect). Nearest well is the proposed Windsor LV C-14H on the same pad. Apollo is in the process of rescinding their permits for the Windsor LV 31-14 pad in the NWNE. Surface owner waived the 30 day notification period in the SUA, pg. 2, item 11. A map is attached to the SUA as it describes county lots. No conductor casing will be set.

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: DeAnne M. Spector

Title: Regulatory Analyst

Date: 7/25/2013

Email: dspector@petro-fs.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: _____

Director of COGCC

Date: 9/27/2013

API NUMBER

05 123 38168 00

Permit Number: _____

Expiration Date: 9/26/2015

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.

Description

1)Provide notice of MIRU via an electronic Form 42.

2)Comply with Rule 317.i and provide cement coverage a minimum of 200' above the Niobrara. Verify cement coverage with a cement bond log per Rule 317.o.

3)Operator acknowledges the proximity of the Rutz 1 (API# 123-11850), Winter 1 (API# 123-11307), Simpson 1 (API# 123-11328), Miller 1 (API# 123-11822), Kadlub/Miller 1 (API# 123-11517), and Haas 1 (API# 123-11564) wells. Operator agrees to: provide mitigation option 1, 2 or 3 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.

Operator must meet water well testing requirements per Rule 318A.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400447930	FORM 2 SUBMITTED
400448086	PLAT
400452827	DIRECTIONAL DATA
400453145	EXCEPTION LOC WAIVERS
400454215	30 DAY NOTICE LETTER
400454220	EXCEPTION LOC REQUEST
400456233	PROPOSED SPACING UNIT
400456616	SURFACE AGRMT/SURETY
400457516	OFFSET WELL EVALUATION
400459697	DEVIATED DRILLING PLAN

Total Attach: 10 Files

General Comments

User Group	Comment	Comment Date
Permit	Apollo & Bayswater have reached an agreement. Hearing ocmplete and forms are ready to pass. Final review complete.	9/25/2013 9:54:33 AM
Engineer	Evaluated offset wells for adequate coverage.	8/26/2013 10:09:04 AM
Permit	Hearing 7/29/13 to increase density. Apollo has not withdrawn their APDs fior this section. Sent e-mail request to Apollo today. Ready to pass pending the withdrawal of the Apollo wells and public comment period8/20/13.	3/6/2013 4:00:51 PM
Permit	passed completeness	7/30/2013 12:10:00 PM
Permit	REturned to draft; Need plan view/crosssectional view page of the directional survey.	7/30/2013 7:41:05 AM
Permit	Returned to draft. Directional Survey does not match directional data.	7/26/2013 9:53:25 AM

Total: 6 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
2	Planning	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Operator will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used by operator, its employees, or contractors cross through fences on the leased premises.
3	Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).
4	Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.
5	Drilling/Completion Operations	A closed-loop drilling mud system will be used to preclude the use of an earthen reserve pits when available. Light Sources will likewise be directed downwards, and away from occupied structures where possible. Once the drilling and completions rigs leave the site, there will be no permanently installed lighting on site.
6	Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.
7	Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).

Total: 7 comment(s)