

**APPLICATION FOR PERMIT TO:**

Drill     
  Deepen     
  Re-enter     
  **Recomplete and Operate**

TYPE OF WELL    OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____	Refilling <input type="checkbox"/>	Date Received: 09/16/2013
ZONE TYPE    SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Sidetrack <input type="checkbox"/>	

Well Name: Laughlin, RJ      Well Number: 4  
 Name of Operator: BLACK RAVEN ENERGY INC      COGCC Operator Number: 10203  
 Address: 1331 17TH STREET - #350  
 City: DENVER      State: CO      Zip: 80202  
 Contact Name: David Kunovic      Phone: (303)308-1330      Fax: (303)308-1590  
 Email: dkunovic@blackravenenergy.com

**RECLAMATION FINANCIAL ASSURANCE**  
 Plugging and Abandonment Bond Surety ID: 20060159

**WELL LOCATION INFORMATION**

QtrQtr: LOT 4    Sec: 7    Twp: 1N    Rng: 57W    Meridian: 6  
 Latitude: 40.059580      Longitude: -103.807863

Footage at Surface: <u>327</u> feet	FNL/FSL FSL      954      feet      FWL	FEL/FWL
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Field Name: ADENA      Field Number: 700  
 Ground Elevation: 4510      County: MORGAN

GPS Data:  
 Date of Measurement: 09/29/2011    PDOP Reading: 4.7    Instrument Operator's Name: Theresa McCollum

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: \_\_\_\_\_

**LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT**

Surface Ownership:     Fee     State     Federal     Indian

The Surface Owner is:     is the mineral owner beneath the location.  
 (check all that apply)     is committed to an Oil and Gas Lease.  
     has signed the Oil and Gas Lease.  
     is the applicant.

The Mineral Owner beneath this Oil and Gas Location is:     Fee     State     Federal     Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well:    Yes

The right to construct the Oil and Gas Location is granted by:    Bond

Surface damage assurance if no agreement is in place:    Blanket      Surface Surety ID: 20110164

**LEASE INFORMATION**

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

S/2SW/4, Sec. 7 and the NW/4 and N/2SW/4 of Sec. 18, T1N-R57W

Total Acres in Described Lease: 320 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # \_\_\_\_\_

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 954 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 3161 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 954 Feet

Above Ground Utility: 940 Feet

Railroad: 5280 Feet

Property Line: 327 Feet

**INSTRUCTIONS:**

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).

- Enter 5280 for distance greater than 1 mile.

- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.

- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

**DESIGNATED SETBACK LOCATION INFORMATION**

Check all that apply. This location is within a:  Buffer Zone  
 Exception Zone  
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit

- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.

- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: \_\_\_\_\_

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: \_\_\_\_\_

**SPACING and UNIT INFORMATION**

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 1293 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 5280 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

**SPACING & FORMATIONS COMMENTS**

This proposed D sand recompletion is in the Adena J Sand Unit and all existing wells are spaced according to the original spacing order.

**OBJECTIVE FORMATIONS**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
D SAND	DSND	29-1	40	Sec. 7: Lot 4

**DRILLING PROGRAM**

Proposed Total Measured Depth: 5636 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1293 Feet (Including plugged wells)

Will a closed-loop drilling system be used? No

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S Drilling Operations Plan)

Will salt sections be encountered during drilling?     No      
 Will salt based (>15,000 ppm Cl) drilling fluids be used?     No      
 Will oil based drilling fluids be used?     No      
 BOP Equipment Type:  Annular Preventor  Double Ram  Rotating Head  None

**GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING**

Water well sampling required per Rule     N/A    

**DRILLING WASTE MANAGEMENT PROGRAM**

Drilling Fluids Disposal: \_\_\_\_\_ Drilling Fluids Disposal Methods: \_\_\_\_\_  
 Cuttings Disposal: \_\_\_\_\_ Cuttings Disposal Method: \_\_\_\_\_  
 Other Disposal Description:

This is a behind pipe D sand recompletion in a well that is currently perfed in the J sand. Black Raven will be reactivating the J sand production and possibly testing the D sand - no drilling waste - no drilling.

Beneficial reuse or land application plan submitted? \_\_\_\_\_  
 Reuse Facility ID: \_\_\_\_\_ or Document Number: \_\_\_\_\_

**CASING PROGRAM**

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12	8+5/8	24	0	110	75	110	0
1ST	7+7/8	5+1/2	15.5	0	5636	275	5636	4000

Conductor Casing is NOT planned

**DESIGNATED SETBACK LOCATION EXCEPTIONS**

- Check all that apply:
- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
  - Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
  - Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
  - Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
  - Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

**GREATER WATTENBERG AREA LOCATION EXCEPTIONS**

- Check all that apply:
- Rule 318A.a. Exception Location (GWA Windows).
  - Rule 318A.c. Exception Location (GWA Twinning).

**RULE 502.b VARIANCE REQUEST**

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number \_\_\_\_\_

**OTHER LOCATION EXCEPTIONS**

- Check all that apply:
- Rule 318.c. Exception Location from Rule or Spacing Order Number \_\_\_\_\_
  - Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

**OPERATOR COMMENTS AND SUBMITTAL**

Comments: Nearest above ground utility is 940 ft from this existing well. Distance to the nearest property line is 327 ft. Nearest building (BRE field office) is 3161 ft from this existing well. This well is currently a shut-in J-sand well in the Adena field. Plan to reactivate the J sand - if not successful then will recomplate in the D sand. Plan to set CIBP bove J perms and recomplate in the D sand. A form 2A is not required for this recomplate because no pit will be constructed and there will be no surface disturbance beyond the originally disturbed area. No conductor casing was set when this well was drilled; the casing consists of surface casing and a production string.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 313718

Is this application being submitted with an Oil and Gas Location Assessment application? No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_ Print Name: David Kunovic

Title: VP Exploration Date: 9/16/2013 Email: dkunovic@blackravenenergy.c

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: *Matthew Lee* Director of COGCC Date: 10/23/2013

Expiration Date: 10/22/2015

**API NUMBER**  
05 087 05348 00

**Conditions Of Approval**

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.

<u>COA Type</u>	<u>Description</u>

**Best Management Practices**

<u>No BMP/COA Type</u>	<u>Description</u>

**Applicable Policies and Notices to Operators**

Notice Concerning Operating Requirements for Wildlife Protection.

**Attachment Check List**

<u>Att Doc Num</u>	<u>Name</u>
400475784	FORM 2 SUBMITTED
400478504	WELLBORE DIAGRAM
400478506	WELLBORE DIAGRAM

Total Attach: 3 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected dist. to min. lease to agree w/ lease desc. Oper. is unit operator and has blanket SUA for unit. Using surface bond for recompletion work. Corr. well name, qtr/qtr. Added spacing order. No LGD or public comments. Final Review--passed.	10/23/2013 8:43:43 AM
Permit	Form passes completeness.	9/17/2013 1:24:27 PM

Total: 2 comment(s)