

FORM  
2

Rev  
08/13

## 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:

400473972

#### APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☐ GAS ☐ COALBED ☐ OTHER Injection well

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Date Received:

08/29/2013

Well Name: NICHOLS Well Number: 3  
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: SWNE Sec: 24 Twp: 1N Rng: 58W Meridian: 6

Latitude: 40.037933

Longitude: -103.817162

Footage at Surface: 2310 feet FNL/FSL FNL 1650 feet FEL/FWL FEL

Field Name: ADENA Field Number: 700

Ground Elevation: 4558 County: MORGAN

#### GPS Data:

Date of Measurement: 10/07/2011 PDOP Reading: 3.4 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.)

E/2, Sec. 24, T1N-R58W

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: 990 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1621 Feet  
Building Unit: 5280 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 1630 Feet  
Above Ground Utility: 75 Feet  
Railroad: 5280 Feet  
Property Line: 990 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: 663 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1650 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 located inside a D Sand Water Flood Unit. This well will be completed as a D sand injection well. D Sand Unit Configuration: Sec. 13: S/2, Sec. 14: S/2SE/4, Sec. 23: NE/4, N/2SE/4, Sec. 24: NW/4, N/2SW/4,E/2.

## 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           | 26-60                   | 1200                          | Sec 24:NW4,N2SW4,E2                  |

## DRILLING PROGRAM

Proposed Total Measured Depth: 5735 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 663 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 D-sand recompletion in a well that is currently perfed in the J sand. The J sand is not producing. The well is shut-in at this time. There will not be any 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          | 26    | 0             | 103           | 75        | 103     | 0       |
| 1ST         | 7+7/8        | 5+1/2          | 15.5  | 0             | 5733          | 275       | 5733    | 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 75 ft. from the well head. This electric line provided power to the well when it was pumping. The power is not needed for injection purposes and will be disconnected when the work-over rig (90 ft. high) is on location. Distance to the nearest property line is 990 ft. The location is 1621 ft from the nearest building (barn). This well is currently a shut-in J sand producer in Adena field. Plan to set a CIBP and cement above the current J sand perfs and recomplete in the D sand as a D sand injection well. A form 2A is not required for this recompletion 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: 313671

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: 8/29/2013 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 05206 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.

**COA Type****Description**

|  |   |
|--|---|
|  | 1) Provide remedial cement from 250' to at least 50' above surface casing shoe (due to WW Permit #0041777, 160' deep, located SWSW13-1N-58W).<br>2. Perform and submit a passing MIT. |
|--|---|

**Best Management Practices****No BMP/COA Type****Description**

|  |  |
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**Applicable Policies and Notices to Operators**

Notice Concerning Operating Requirements for Wildlife Protection.

**Attachment Check List**

| <u>Att Doc Num</u> | <u>Name</u>      |
|--------------------|------------------|
| 400473972          | FORM 2 SUBMITTED |
| 400474623          | WELLBORE DIAGRAM |
| 400474624          | WELLBORE DIAGRAM |

Total Attach: 3 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>  | <u>Comment Date</u>      |
|-------------------|---|--------------------------|
| Permit            | Oper. is unit operator and has blanket SUA for unit. Using surface bond for recompletion work.<br>No LGD or public comments.<br>Final Review--passed. | 10/23/2013<br>8:33:52 AM |
| Permit            | Added D Sand Unit Configuration.  | 10/21/2013<br>8:00:55 AM |
| Permit            | Corrected permit to injection well recompletion. Confirmed Form 33 submitted.<br>Related form 4 approved 9/17/13.<br>Corrected bond surety ID#.       | 9/17/2013<br>10:24:35 AM |
| Permit            | Passed completeness.  | 8/30/2013<br>1:16:02 PM  |

Total: 4 comment(s)