

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:  
400511659

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

Date Received:  
11/14/2013

TYPE OF WELL    OIL     GAS     COALBED     OTHER \_\_\_\_\_  
ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Refiling   
Sidetrack

Well Name: Ehrlich      Well Number: 1A  
Name of Operator: AURORA POWER RESOURCES INC      COGCC Operator Number: 10440  
Address: 6051 NORTH COURSE DR  
City: HOUSTON      State: TX      Zip: 77072  
Contact Name: Kimberly Rodell      Phone: (303)942-0506      Fax: ( )  
Email: krodell@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120107

WELL LOCATION INFORMATION

QtrQtr: NWSW      Sec: 12      Twp: 4N      Rng: 60W      Meridian: 6  
Latitude: 40.326720      Longitude: -104.054310

Footage at Surface: 2461 feet      FNL/FSL      FEL/FWL  
FSL      240      feet      FWL

Field Name: BIJOU WEST      Field Number: 6730  
Ground Elevation: 4462      County: MORGAN

GPS Data:  
Date of Measurement: 10/23/2013      PDOP Reading: 2.1      Instrument Operator's Name: Robert Dales

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  
1153      FNL      602      FWL      1155      FNL      600      FWL  
Sec: 12      Twp: 4N      Rng: 60W      Sec: 12      Twp: 4N      Rng: 60W

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: No

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: 20130010

**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.)

T4N R60W Sec. 12: W2NW

Total Acres in Described Lease: 80 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: 600 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 1176 Feet  
 Building Unit: 1256 Feet  
 High Occupancy Building Unit: 5280 Feet  
 Designated Outside Activity Area: 5280 Feet  
 Public Road: 228 Feet  
 Above Ground Utility: 200 Feet  
 Railroad: 5280 Feet  
 Property Line: 199 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: 5280 Feet

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

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

**SPACING & FORMATIONS COMMENTS**

The only wells within a 1-mile radius of the productive interval (BHL) have been Drilled and Abandoned or Abandoned.

**OBJECTIVE FORMATIONS**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CODELL	CODL			
D SAND	DSND			
GREENHORN	GRNHN			
J SAND	JSND			
NIOBRARA	NBRR			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 6812 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 525 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

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 609

### DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: ONSITE Cuttings Disposal Method: Cuttings trench

Other Disposal Description:

The cuttings will be tested to the COGCC Table 910-1 parameters. Once the cuttings are below or at the minimum concentration levels, the cuttings will be incorporated into the soil via land application.

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+1/4	8+5/8	24	0	500	308	500	0
1ST	7+7/8	5+1/2	15.5	0	6812	320	6812	4500

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 The APD is being submitted as part of the Oil and Gas Location Assessment which was submitted for the David Bender 1A location on the same pad.

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

Location ID: \_\_\_\_\_

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: Kimberly Rodell

Title: Permit Agent Date: 11/14/2013 Email: krodell@upstreampm.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: 12/13/2013

Expiration Date: 12/12/2015

### API NUMBER

05 087 08177 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

COA Type	Description
	1) Provide 48 hour notice of spud via electronic Form 42. 2) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

## Best Management Practices

### No BMP/COA Type

### Description

No BMP/COA Type	Description

## Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

### Attachment Check List

<b>Att Doc Num</b>	<b>Name</b>
400511659	FORM 2 SUBMITTED
400511730	DEVIATED DRILLING PLAN
400511734	LOCATION DRAWING
400511738	TOPO MAP
400511739	WELL LOCATION PLAT
400511742	DIRECTIONAL DATA
400512848	DRILLING PLAN

Total Attach: 7 Files

### General Comments

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Permit	Changed right to construct to bond per operator. Ready to pass.	12/13/2013 8:46:13 AM
Permit	Corrected cuttings disposal to cuttings trench to match 2A. Requested SUA, cited as right to construct.	12/12/2013 9:17:57 AM
Engineer	Evaluated any existing wells within 1500' of proposed directional.	12/6/2013 11:43:21 AM
Permit	Problem is fixed, This form has passed completeness.	11/15/2013 11:40:37 AM
Permit	Operator and I are unable to enter more than 2 characters in qtr-qtr. Referred to IT.	11/15/2013 9:52:47 AM
Permit	Returned to draft. Needs qtr-qtr for well location.	11/15/2013 9:13:36 AM

Total: 6 comment(s)