

FORM
2

Rev
08/16

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:

401417486

(SUBMITTED)

Date Received:

11/28/2017

APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: BHR Fed

Well Number: J22-15-397-4RH

Name of Operator: AUGUSTUS ENERGY PARTNERS II LLC

COGCC Operator Number: 10591

Address: 2016 GRAND AVENUE SUITE A

City: BILLINGS

State: MT

Zip: 59102

Contact Name: Duane Zimmerman

Phone: (406)294-5990

Fax: (406)294-5992

Email: dzimmerman@augustusenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20150098

WELL LOCATION INFORMATION

QtrQtr: NWSE Sec: 22 Twp: 3N Rng: 97W Meridian: 6

Latitude: 40.212032

Longitude: -108.259757

Footage at Surface: 1762 Feet FNL/FSL FSL 1333 Feet FEL/FWL FEL

Field Name: WILDCAT

Field Number: 99999

Ground Elevation: 5938

County: RIO BLANCO

GPS Data:

Date of Measurement: 10/10/2017 PDOP Reading: 1.4 Instrument Operator's Name: K.G. Stewart

If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FSL 600 FSL 2310 FEL 600 FNL 2310 FEL
FEL/FWL FEL/FWL

Sec: 22 Twp: 3N Rng: 97W Sec: 15 Twp: 3N Rng: 97W

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: oil and gas lease

Surface damage assurance if no agreement is in place:

Surface Surety ID:

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.)

The lease below the SHL is:

Sec. 22, T3N, R97W: E/2SW/4, SE/4

Sec. 23, T3N, R97W: NW/4SW/4, S/2S/2

Sec. 24, T3N, R97W: SW/4

Sec. 26, T3N, R97W: NE/4NE/4, SW/4

Total Acres in Described Lease: 800

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: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4575 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 318 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 877 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 proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 1320 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1756 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Wiley Unit Number: COC75390X

SPACING & FORMATIONS COMMENTS

The nearest well currently being drilled is approximately 50 feet east of this proposed well on the same well pad within the Wiley Unit. This is the second well on the well pad. The nearest unit boundary is in the SW/4 corner of Sec. 22, T3N, R97W.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR			

DRILLING PROGRAM

Proposed Total Measured Depth: 19658 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: _____ Feet ☒ No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S 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? Yes

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: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: ONSITE Cuttings Disposal Method: Cuttings trench

Other Disposal Description:

Cuttings may be disposed at a commercial disposal facility.

Beneficial reuse or land application plan submitted? No

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
CONDUCTOR	20	16	75	0	80		80	0
SURF	13+1/4	9+5/8	36	0	3300	861	3300	0
1ST	8+3/4	7	29	0	9346	568	9346	3100
1ST LINER	6	4+1/2	13.5	9100	19658	576	19658	8900

☐ 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 _____

This application is in a Comprehensive Drilling Plan _____ No _____ CDP #: _____

Location ID: 430927

Is this application being submitted with an Oil and Gas Location Assessment application? _____ Yes _____

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

Signed: _____ Print Name: Pascual Laborda

Title: Permitting & Regulatory Date: 11/28/2017 Email: plaborda@augustusenergy.com

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: _____

Expiration Date: _____

API NUMBER

05

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

--	--

Best Management Practices

No BMP/COA Type

Description

1	Drilling/Completion Operations	The pilot well, BHR Fed J22-15-397-2RH, was drilled on the BHR J22-397 well pad and logged with an open-hole resistivity log with gamma-ray from TD into the intermediate casing. The subsequent well BHR Fed J22-15-397-4RH on the well pad will have a cement bond log with gamma-ray run on the intermediate casing. The BHR Fed J22-15-397-4RH well will have the horizontal portion of the wellbore logged with a measured-while drilling log with gamma-ray.
---	--------------------------------	--

Total: 1 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401417486	FORM 2 SUBMITTED
401443022	MULTI-WELL PLAN
401443026	WELL LOCATION PLAT
401445793	OFFSET WELL EVALUATION
401468754	DRILLING PLAN
401468763	WELLBORE DIAGRAM
401468764	DIRECTIONAL DATA
401468767	DEVIATED DRILLING PLAN
401476452	OffsetWellEvaluations Data

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)

Public Comments

No public comments were received on this application during the comment period.

