

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:

400812007

APPLICATION FOR PERMIT TO:

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

Date Received:

03/19/2015

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____Refilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☒

Well Name: Sherley

Well Number: J-4-9HC

Name of Operator: BAYSWATER EXPLORATION AND PRODUCTION LLC

COGCC Operator Number: 10261

Address: 730 17TH ST STE 610

City: DENVER

State: CO

Zip: 80202

Contact Name: Paul Gottlob

Phone: (720)420-5747

Fax: ()

Email: paul.gottlob@iptenergyservices.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20080034

WELL LOCATION INFORMATION

QtrQtr: NWNW Sec: 4 Twp: 5N Rng: 65W Meridian: 6

Latitude: 40.434161

Longitude: -104.675183

Footage at Surface: 591 feet FNL/FSL FNL 709 feet FEL/FWL FWL

Field Name: GREELEY

Field Number: 32760

Ground Elevation: 4641

County: WELD

GPS Data:

Date of Measurement: 08/08/2014 PDOP Reading: 3.6 Instrument Operator's Name: Dallas Nielsen, C.J.

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

Footage at Top of Prod Zone: FNL/FSL FNL/FWL Bottom Hole: FNL/FSL FNL/FWL

 470 FNL 2571 FWL 465 FSL 2585 FWL
 Sec: 4 Twp: 5N Rng: 65W Sec: 9 Twp: 5N Rng: 65W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ IndianThe 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: Surface Use Agreement

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.)

Section 4, Township 5 North, Range 65 West: A parcel in the SW/4.
Lease Map was submitted with original permit.

Total Acres in Described Lease: 28 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: 494 Feet
Building Unit: 527 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 348 Feet
Above Ground Utility: 496 Feet
Railroad: 3892 Feet
Property Line: 155 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: 08/28/2014

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 109 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 465 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

Nearest wellbore permitted or completed in the same formation is Pat & Mike 6 LL (API #05-123-24423).
Niobrara: Proposed Spacing Unit is described as W/2E/2, E/2W/2 of Section 4 and 9, T5N, R65W.

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		640	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 17027 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 109 Feet (Including plugged wells)

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? 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 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

Cuttings will be disposed of by land farming.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 435839 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	9+5/8	36	0	830	355	830	0
1ST	8+3/4	7	26	0	7646	596	7646	400
1ST LINER	6+1/8	4+1/2	11.6	7346	17027	782	17027	6946

☒ 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

deleted 04/20/2015 All original Permit Offset Well Evaluations, BMP's & attachments apply to this well. This Form 2 is being submitted for a Sidetrack only. Form 5 for the original API # will be submitted shortly with a WB Diagram showing the wellbore pre-sidetrack and a Form 5 for the Sidetrack when completed.

SHERLEY J-4-9HC – API 05-123-40899
SIDETRACK PLAN

Josh et al:

You are approved as requested. Don't forget to submit another Form 2 for the sidetrack along with all of the associated paperwork, and the Form 5 for both the "00" and the "01" wellbores.

Thanks, and have a great day,

Steve

Steve Jenkins - COGCC

On Thu, Mar 19, 2015 at 11:35 AM, Josh Falls <josh.falls@iptenergyservices.com> wrote:

Steve

I left you a message as well.

On well Bayswater "Sherley J-4-9HC", API 05-123-40899, Frontier 10, the 7" intermediate casing is currently stuck halfway into the curve. Attached is a WBD of our current condition. The 7", 29# casing is currently right at the Nio B chalk top. We have been working the casing for nearly 10 hours and it has not moved. I wanted to run our plan by you: We will cut the 7" casing and pull it out of the hole. We are looking to cut the casing around the KOP of 6,600' MD. We would then pump a 350' 17# cement plug from 6,250' to 6,600'. We would kick off of this plug and redrill the curve. We wanted to get your blessing before we did anything. I am on my way to the rig now. I can be reached on my cell, 702.484.1146. Please contact me ASAP. Thank you.

Josh Falls

Drilling Engineer

INTEGRATED PETROLEUM TECHNOLOGIES INC

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 440536

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: Paul Gottlob

Title: Regulatory & Engin. Tech. Date: 3/19/2015 Email: paul.gottlob@iptenergyservices

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

05 123 40899 01

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

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Best Management Practices

No BMP/COA Type

Description

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Attachment Check List

Att Doc Num

Name

400812007

FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

User Group

Comment

Comment Date

Permit	Operator requested permit be withdrawn.	3/20/2015 8:56:24 AM
Permit	Added location ID. Passed completeness.	3/20/2015 8:54:49 AM

Total: 2 comment(s)