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Document Number:
2285267

PluggingBond SuretyID
20050122

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, **Recomplete and Operate**

2. TYPE OF WELL

OIL GAS COALBED OTHER _____

SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

3. Name of Operator: HILCORP ENERGY COMPANY 4. COGCC Operator Number: 10133

5. Address: P O BOX 61229
 City: HOUSTON State: TX Zip: 77208

6. Contact Name: JOHN MCKNIGHT Phone: (713)209-2494 Fax: (713)209-2478
 Email: CHRIS@BANKO1.COM

7. Well Name: HSR-NAZARENUS Well Number: 16-8

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 8028

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 8 Twp: 2S Rng: 64W Meridian: 6
 Latitude: 39.887080 Longitude: -104.568138

Footage at Surface: 990 feet FNL/FSL 990 feet FEL/FWL FEL

11. Field Name: TRAPPER SOUTH Field Number: 83845

12. Ground Elevation: 5253 13. County: ADAMS

14. GPS Data:
 Date of Measurement: 10/26/2010 PDOP Reading: 3.9 Instrument Operator's Name: D. Vara

15. 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: _____

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 1030 ft

18. Distance to nearest property line: 990 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 ft

LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| NIOBRARA | NBRR | | 160 | SE/4 |

21. Mineral Ownership: Fee State Federal Indian Lease #: _____

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20110175

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

E/2SW, SE/4 SEC 8:2S R64W 6PM

25. Distance to Nearest Mineral Lease Line: 990 ft 26. Total Acres in Lease: 240

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: Land Farming Land Spreading Disposal Facility Other: No cuttings.

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| 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 | 23 | 0 | 448 | 315 | 448 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 0 | 8,015 | 215 | 8,015 | 6,730 |
| | | | Stage Tool | | 1,808 | 640 | 1,808 | 96 |

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments TD IS 8028. CIB P WILL BE AT 7500'. RECOMPLETION FORM 4 DOC #2285265.

34. Location ID: 377340

35. Is this application in a Comprehensive Drilling Plan ? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

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

Signed: _____ Print Name: CHRIS F. MCRICKARD

Title: PROJECT COORDINATOR Date: 10/20/2011 Email: CHRIS@BANKO1.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: David S. Neslin Director of COGCC Date: 11/17/2011

| |
|-------------------|
| API NUMBER |
| 05 001 09309 00 |

Permit Number: _____ Expiration Date: 11/16/2013

CONDITIONS OF APPROVAL, IF ANY: _____

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.

Attachment Check List

| | |
|-------------|------------------|
| Att Doc Num | Name |
| 2285267 | FORM 2 SUBMITTED |

Total Attach: 1 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|---------------------------|
| Permit | Operator changed wellbore spacing to SE/4 | 11/17/2011 10:29:15 AM |
| Permit | On hold - Proposed spacing unit should be SE/4. Operator verification required. | 11/16/2011 4:49:18 PM |
| Permit | No LGD or public comment received; final review completed. Sundry for recomplete still pending 11/16/2011 | 11/16/2011 6:39:40 AM |
| Permit | Updated permit with lease and unit information. | 10/27/2011 10:28:07 AM |
| Permit | On hold-Operator must declare a wellbore spacing unit .per rule 318A. | 10/26/2011 10:16:26 AM |
| Permit | On holdLease description needs to be revised | 10/26/2011 10:15:52 AM |
| LGD | All Well Production Facilities will be fenced and locked. | 10/25/2011 3:24:22 PM |
| Permit | Input the following information for the operator with email ok. Plugging bond ID #? - CO Blanket Plugging: 20050122 GPS data including date PDOP reading and Instr. Op's Name - ? Is this area high density? – NO. Distance to the nearest building, public road, above ground utility, or railroad? - 1030' Distance to property line? – 990' Distance to nearest well permitted/ completed in the same formation (BHL)? - 5280' – Nothing is within a mile in the same formation. Distance to nearest mineral lease line? – 990' Mud disposal location (on or offsite) and method? No Onsite or Offsite mud disposal as this is a recompletion. No drilling will take place. Location ID #? - 377340 | 10/25/2011 2:35:49 PM |
| Permit | Sent Operator Email 10/21/11. Missing plugging bond. GPS data (#14), #16,17,18,19,24 Location ID # | 10/21/2011 10:24:40 AM |
| Data Entry | CHECK CASING STRING DV TOOL - NOT OFFERED ON PULL DOWN. | 10/21/2011 9:21:14 AM |

Total: 10 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
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| | |

Total: 0 comment(s)