

FORM
2
Rev
12/05

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:

400292351

Date Received:

06/13/2012

PluggingBond SuretyID

20120033

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER Pilot
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

3. Name of Operator: ENDEAVOUR OPERATING CORPORATION

4. COGCC Operator Number: 10411

5. Address: 1125 17TH STREET #1525

City: DENVER State: CO Zip: 80202

6. Contact Name: Terry Hoffman Phone: (720)542-8287 Fax: ()

Email: terry@rockymountainpermitting.com

7. Well Name: Wiley Well Number: 32-3-97-1

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

9. Proposed Total Measured Depth: 9600

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 32 Twp: 3N Rng: 97W Meridian: 6

Latitude: 40.191511 Longitude: -108.302761

Footage at Surface: 443 feet FNL 2510 feet FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5897.9 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 05/11/2012 PDOP Reading: 1.9 Instrument Operator's Name: Shay Young

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: 1314 ft

18. Distance to nearest property line: 443 19. Distance to nearest well permitted/completed in the same formation(BHL): 3520

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.)
Frontier	FRTR			
Niobrara	NBRR			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC66388

22. Surface Ownership: Fee State Federal Indian

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

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):

Lease Serial No. COC66388 T3N - R97W - 6th, Rio Blanco County. Section 32: ALL; Section 33 ALL; Section 34 NE; Section 35 ALL.

25. Distance to Nearest Mineral Lease Line: 443

26. Total Acres in Lease: 2080

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: _____

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
CONDUCTOR	20	16	75	0	80	75	80	0
SURF	14+3/4	9+5/8	36	0	3,000	894	3,000	0
OPEN HOLE	8+3/4			0	9,600			

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

33. Comments Footages listed as 5280' are greater than one (1) mile. Set conductor @ 80', 9-5/8" csg @ 3000'. Drill an 8-3/4" hole to 9600', log well & plug back. Parasite String to be run with 9 5/8 to control "Loss Circulation." This well is being used as a pilot hole and will never be produced. Possible lateral to be permitted in future.

34. Location ID: _____

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

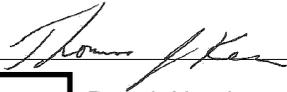
I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Terry L. Hoffman

Title: Permit Agent Date: 6/13/2012 Email: terry@rockymounatinpermitting

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: 7/26/2012

API NUMBER
05 103 11944 00

Permit Number: _____ Expiration Date: 7/25/2014

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.

1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400292351	FORM 2 SUBMITTED
400293252	WELL LOCATION PLAT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed.	7/26/2012 9:30:58 AM
Permit	Oper. has indicated this is pilot hole for informational purposes only. SHL is only 443' from mineral lease line and is not legal for completion. Changed #17 to 1314' to match 2A. Checked commingled.	7/23/2012 10:46:09 AM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Storm Water/Erosion Control	<p>Endeavour Operating Corporation Wiley #32-3-97-1 NENW Section 32-T3N-R97W Rio Blanco Co., Colorado</p> <p>Best Management Practices Summary</p> <p>Stormwater Management Plans (SWMP) will be in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE). BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. The BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.</p> <p>Spill Prevention Control and Counter measures (SPCC) plans will be in place to address any possible spills associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR12.</p> <p>Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup will be required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup will consist of patrolling the roadways, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.</p> <p>The above BMP's will be provided to all Endeavour Operating Corporation, contractors and will be posted in the company trailer located on location during drilling, completion and production operations.</p>

Total: 1 comment(s)