

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:

400371907

Date Received:

03/04/2013

PluggingBond SuretyID

20110198

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER Horizontal
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

3. Name of Operator: CONDOR ENERGY TECHNOLOGY LLC

4. COGCC Operator Number: 10394

5. Address: 3315 HIGHWAY 50

City: SILVER SPRINGS State: NV Zip: 89429

6. Contact Name: Angie Galvan Phone: (281)716-5730 Fax: (281)815-2882

Email: Angie.Galvan@stxra.com

7. Well Name: State 16-7-60 Well Number: 1H

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

9. Proposed Total Measured Depth: 10561

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 16 Twp: 7N Rng: 60W Meridian: 6

Latitude: 40.568730 Longitude: -104.105290

Footage at Surface: 300 feet FSL 750 feet FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4886 13. County: WELD

14. GPS Data:

Date of Measurement: 02/19/2013 PDOP Reading: 1.6 Instrument Operator's Name: MARC WOODARD

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
660 FSL 748 FWL 660 FNL 750 FWL
Sec: 16 Twp: 7N Rng: 60W Sec: 16 Twp: 7N Rng: 60W

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: 285 ft

18. Distance to nearest property line: 300 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1400 ft

20. 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	535-242	1280	15&16

21. Mineral Ownership: Fee State Federal Indian Lease #: 9521.8

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):

ALL, TOWNSHIP 7 NORTH RANGE 60 WEST, SECTION 16 SURVEY 6TH PM, WELD COUNTY, COLORADO

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 640

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	24	16	75	0	40	20	40	0
SURF	12+1/4	9+5/8	36	0	1,080	500	1,080	0
1ST	8+3/4	7	23	0	6,700	650	6,700	
1ST LINER	6+1/8	4+1/2	11.6	5500	10,561			

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

33. Comments This document is intended to be submitted with the Form 2A (Document No. 400371912).

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: Angelina Galvan

Title: Regulatory Analyst Date: 3/4/2013 Email: Angie.Galvan@stxra.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: Matthew Lee Director of COGCC Date: 3/29/2013

API NUMBER **05 123 37069 00** Permit Number: _____ Expiration Date: 3/28/2015

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) Provide 48 hour notice of spud via electronic Form 42.
- 2) Set at least 1080' of surface casing (Due to WW#276557, 1000' deep in SENE16-7N-60W). Cement to surface.
- 3) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 4) 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.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400371907	FORM 2 SUBMITTED
400377585	30 DAY NOTICE LETTER
400384134	WELL LOCATION PLAT
400386098	DEVIATED DRILLING PLAN
400386101	DIRECTIONAL DATA

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	3/26/2013 1:18:41 PM
Engineer	No existing wells within 500' of proposed directional.	3/18/2013 11:23:06 AM
Permit	State land board ok with location and bond.	3/13/2013 10:25:21 AM
Permit	Corrected elevation per operator.	3/11/2013 11:17:02 AM
Permit	Corrected distance to nearest lease line and input spacing order number. Notified state land board. Initial review complete.	3/11/2013 10:23:59 AM
Permit	This form has passed completeness.	3/5/2013 8:30:12 AM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	Operator has designed the well pad with insloping and a storm water control ditch to prevent storm water run-off/run-on and the release of fluids for the location. See attached Construction Layout Drawing. The Location will be fenced and the fenced area will include any above ground fresh water storage facilities. The on top of the ground water storage facilities will be located within the area of the pad.
Drilling/Completion Operations	Operator will ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and completion. Operator will implement best management practices to contain any unintentional release of fluids. Fresh water for the above ground fresh water storage facilities will come from a water provider; water sources permitted for consumable industrial use.

Total: 2 comment(s)