

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



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Date Received:

04/01/2013

PluggingBond SuretyID

20100117

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: SUNDANCE ENERGY INC4. COGCC Operator Number: 103405. Address: 633 17TH STREET #1950City: DENVER State: CO Zip: 802026. Contact Name: Jeff Reale Phone: (970)663-1448 Fax: (970)667-0046Email: jeff@mistymountainop.com7. Well Name: Bangert Well Number: 19-51

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

9. Proposed Total Measured Depth: 7750

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 19 Twp: 2N Rng: 66W Meridian: 6Latitude: 40.129900 Longitude: -104.811550

Footage at Surface: 344 feet FNL/FSL 274 feet FEL/FWL FEL

11. Field Name: Spindle Field Number: 7790012. Ground Elevation: 4872 13. County: WELD

14. GPS Data:

Date of Measurement: 02/13/2013 PDOP Reading: 1.8 Instrument Operator's Name: C.V.M.15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1317 FNL 1320 FEL 1317 FEL 1320 FEL
 Bottom Hole: FNL/FSL 1317 FNL 1320 FEL 1317 FNL 1320 FEL
 Sec: 19 Twp: 2N Rng: 66W Sec: 19 Twp: 2N Rng: 66W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 340 ft18. Distance to nearest property line: 274 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 942 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.)
Codell/Niobrara	NB-CD		160	NE/4

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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/2 NE/4 Section 19, T2N, R66W

25. Distance to Nearest Mineral Lease Line: 3 ft

26. Total Acres in Lease: 80

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
SURF	12+1/4	8+5/8	24	0	770	450	770	0
1ST	7+7/8	4+1/2	11.5	0	7,750	580	7,750	3,000

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

33. Comments No conductor casing will be set. Unit Configuration NE/4

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: Jeff Reale

Title: Agent Date: 4/1/2013 Email: jeff@mistymountainop.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: 5/17/2013

API NUMBER

05 123 37365 00

Permit Number: _____ Expiration Date: 5/16/2015

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.

Operator must meet Water Well Testing requirements as per amended Rule 318Ae(4)

- 1)Note surface casing setting depth change from 700' to 770'. Increase cement coverage accordingly and cement to surface.
- 2)Provide notice of MIRU via an electronic Form 42.
- 3)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara and from 200' below Sussex to 200' above Sussex. Verify cement coverage with a cement bond log per 317.o.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2482319	SURFACE CASING CHECK
400392925	FORM 2 SUBMITTED
400392932	DEVIATED DRILLING PLAN
400392933	WELL LOCATION PLAT
400392934	DIRECTIONAL DATA
400397810	SURFACE AGRMT/SURETY
400399119	DIRECTIONAL DATA
400399120	EXCEPTION LOC WAIVERS
400399121	EXCEPTION LOC REQUEST

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected distance to nearest mineral lease line from 1320' to 3'. Added unit configuration description. Final review complete.	5/7/2013 11:07:11 AM
Permit	Corrected distance to nearest well bore and lease line as per opr. Opr states that the BMP for Anti-collision and Frac Stim are not needed because the existing Bangert 41-19 & 42-19 are Sussex wells that TD around 4700' and they will be more than 2000' vertically from the CD-NB targeted frac stims.	4/18/2013 12:17:03 PM
Permit	Distances to nearest wellbore and mineral lease line are incorrect. Opr notified.	4/15/2013 1:52:22 PM
Permit	Operator supplied directional templat, lease description and labeled attachments.	4/3/2013 12:41:30 PM
Permit	Returned to draft. Requested directional template, lease description, and for operator to label attachments.	4/2/2013 9:41:11 AM

Total: 5 comment(s)

BMP

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