

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:  
400473528

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

Date Received:  
09/03/2013

TYPE OF WELL    OIL     GAS     COALBED     OTHER \_\_\_\_\_  
ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Refiling   
Sidetrack

Well Name: BIG SKY      Well Number: 12-11  
Name of Operator: NIGHTHAWK PRODUCTION LLC      COGCC Operator Number: 10399  
Address: 1805 SHEA CENTER DR #290  
City: HIGHLANDS RANCH      State: CO      Zip: 80129  
Contact Name: KYLA VAUGHAN      Phone: (505)330-3697      Fax: ( )  
Email: KVAUGHAN@LTENV.COM

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120011

WELL LOCATION INFORMATION

QtrQtr: NWSW      Sec: 11      Twp: 6S      Rng: 54W      Meridian: 6  
Latitude: 39.541560      Longitude: -103.414570  
Footage at Surface: 2096 feet      FNL/FSL FSL 629 feet      FEL/FWL FWL  
Field Name: ARIKAREE CREEK      Field Number: 2914  
Ground Elevation: 5221.57      County: LINCOLN  
GPS Data:  
Date of Measurement: 07/19/2013      PDOP Reading: 1.9      Instrument Operator's Name: KEITH WESTFALL  
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: \_\_\_\_\_

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership:  Fee       State       Federal       Indian  
The 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: oil and gas lease  
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.)

T6S, R54W, SEC 11: W/2

Total Acres in Described Lease: 320 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: 629 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 5280 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 629 Feet

Above Ground Utility: 595 Feet

Railroad: 5280 Feet

Property Line: 629 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: \_\_\_\_\_

**SPACING and UNIT INFORMATION**

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 1339 Feet

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

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

**SPACING & FORMATIONS COMMENTS**

\_\_\_\_\_

**OBJECTIVE FORMATIONS**

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| ARBUCKLE               | ABCK           |                         |                               |                                      |
| ATOKA                  | ATOK           |                         |                               |                                      |
| CHEROKEE               | CHRK           |                         |                               |                                      |
| LANSING-KANSAS CITY    | LGKC           |                         |                               |                                      |
| MARMATON               | MRTN           |                         |                               |                                      |
| MISSISSIPPIAN-ST LOUIS | MS-SL          |                         |                               |                                      |
| MORROW                 | MRRW           |                         |                               |                                      |
| SPERGEN                | SPGN           |                         |                               |                                      |
| WARSAW                 | WRSW           |                         |                               |                                      |
| WOLFCAMP               | WFCMP          |                         |                               |                                      |

### DRILLING PROGRAM

Proposed Total Measured Depth: 8700 Feet  
 Distance to nearest permitted or existing wellbore penetrating objective formation: 1339 Feet (Including plugged wells)  
 Will a closed-loop drilling system be used? No  
 Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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 609

### DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Evaporation  
 Cuttings Disposal: ONSITE Cuttings Disposal Method: Drilling pit  
 Other Disposal Description:

BACKFILL WHEN DRY

Beneficial reuse or land application plan submitted? \_\_\_\_\_  
 Reuse Facility ID: \_\_\_\_\_ 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        | 11           | 8+5/8          | 24    | 0             | 300           | 69        | 300     | 0       |
| 1ST         | 7+7/8        | 5+1/2          | 17    | 0             | 8700          | 1039      | 8700    | 0       |

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

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: \_\_\_\_\_

Is this application being submitted with an Oil and Gas Location Assessment application? Yes

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

Signed: \_\_\_\_\_ Print Name: KYLA VAUGHAN

Title: AGENT FOR NIGHTHAWK Date: 9/3/2013 Email: KVAUGHAN@LTENV.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: 10/3/2013

Expiration Date: 10/02/2015

|                                      |
|--------------------------------------|
| <b>API NUMBER</b><br>05 073 06556 00 |
|--------------------------------------|

## 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

|  |  |
|--|--|
|  | <p>1) Provide 48 hour notice prior to spud via electronic Form 42.</p> <p>2) If production casing is set provide cement coverage to at least 200' above the shallowest completed interval or Lansing-Kansas City, whichever is shallower and across Cheyenne/Dakota interval (5200' to 4500' min). Run and submit CBL verify cemented intervals.</p> <p>3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the Spergen, 40 sks cement +/- 50' above the Lansing-Kansas City, 40 sks cement across any DST w/ show, 40 sks cement 100' below Cheyenne (5200'), 40 sks cement 50' above top of Dakota (4500'), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.</p> |
|--|--|

## Best Management Practices

### No BMP/COA Type

### Description

|   |              |  |
|---|--------------|--|
| 1 | Construction | <p>Certificate to Discharge Under CDPHE General Permit No. COR-030000 Stormwater Discharges Associated with Construction Certification NO. COR031825 Prior to construction, permiter controls will be installed utilizing cuttings from the clearing operations.</p> <p>Once the well pad has been constructed a variety of BMP's shall be utilized for the site specific conditions.</p> <p>BMP's to be utilized my include, but are not limited to:</p> <ul style="list-style-type: none"><li>-Dirt Ditch/Berm;</li><li>-Erosion Control Blankets;</li><li>-Straw Bale Barrier;</li><li>-Straw Wattles;</li><li>-Seeding;</li><li>-Imported Hard Armor;</li><li>-Check Dams;</li><li>-Culvery/culvert Protection;</li><li>-Crimped Straw;</li><li>-Silt Fence; and</li><li>-Surface Roughening/Sureface Rip</li></ul> <p>During construction, each site will be inspected every 14 days and 24-72 hours after any precepitation event causing erosion depending on the current site activities. These inspections will be recorded and maintained at Nighthawk's office.</p> <p>Repairs shall be completed as soon as possible after an inspection reporting BMP repairs are required.</p> <p>Any site specific modifications will be revised on the site plan when implemented at the site.</p> <p>A field wide Stormwater Management Plan (SWMP) for the Project Area is located at Nighthawk's office.</p> <p>Spill Protection Control and Countermeasures (SPCC) plans for the Project Area are stored on file at Nighthawk's office. The field wide SWMP addresses SPCC during construction operations.</p> |
|---|--------------|--|

Total: 1 comment(s)

## Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

## Attachment Check List

| <b>Att Doc Num</b> | <b>Name</b>          |
|--------------------|----------------------|
| 400473528          | FORM 2 SUBMITTED     |
| 400473576          | SURFACE AGRMT/SURETY |
| 400474424          | PLAT                 |
| 400474425          | TOPO MAP             |

Total Attach: 4 Files

### General Comments

| <b>User Group</b> | <b>Comment</b>   | <b>Comment Date</b>     |
|-------------------|--|-------------------------|
| Engineer          | Operator meant to indicate 722 sx lead and 317 sx tail with top of tail cement at 6000'. Added the 2 quantities together and reported on 1 line w/ casing type as "First String", 1039 sx, 8700'-0'. | 10/2/2013<br>4:54:59 PM |
| Permit            | Final review completed; no public comment received.  | 9/26/2013<br>9:14:09 AM |
| LGD               | County Permit#1366   | 9/9/2013 8:40:16<br>AM  |
| Permit            | This form has passed completeness.   | 9/4/2013 9:31:23<br>AM  |

Total: 4 comment(s)