

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:

400462735

APPLICATION FOR PERMIT TO:

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Date Received:

08/12/2013

Well Name: Wickstrom 4

Well Number: 4H

Name of Operator: CONDOR ENERGY TECHNOLOGY LLC

COGCC Operator Number: 10394

Address: 3315 HIGHWAY 50

City: SILVER SPRINGS

State: NV

Zip: 89429

Contact Name: Angie Galvan

Phone: (281)716-5730

Fax: (281)815-2882

Email: Angie.Galvan@stxra.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20110198

WELL LOCATION INFORMATION

QtrQtr: SWSE Sec: 4 Twp: 6N Rng: 60W Meridian: 6

Latitude: 40.510710

Longitude: -104.094540

Footage at Surface: 270 feet FNL/FSL FSL 1307 feet FEL/FWL FEL

Field Name: Wildcat

Field Number: 99999

Ground Elevation: 4789

County: MORGAN

GPS Data:

Date of Measurement: 07/25/2013 PDOP Reading: 3.1 Instrument Operator's Name: Jim Grabowski

If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FSL 660 FEL 660 FEL 660 FEL 660
Sec: 4 Twp: 6N Rng: 60W Sec: 4 Twp: 6N Rng: 60W

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.)

Township 6 North Range 60 West, 6th PM, Morgan County, Section 4: Lots 1(40.12), 2(39.97), 3(39.97), 4(39.69), S/2N/2, S/2.

Total Acres in Described Lease: 559 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: 660 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4370 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 3940 Feet

Above Ground Utility: 3930 Feet

Railroad: 5280 Feet

Property Line: 2910 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: 1360 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 660 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.)
NIOBRARA	NBRR	535-276	640	S. 4: ALL

DRILLING PROGRAM

Proposed Total Measured Depth: 10440 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1360 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S 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: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

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	12+1/4	9+5/8	36	0	1500	750	1500	0
1ST	8+3/4	7	23	0	6500	650	6500	
1ST LINER	6+1/8	4+1/2	11.6	6300	10440			

☒ 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 form is submitted in conjunction with Form 2A (Document No.400462795)		
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: Angie Galvan	
Title: Regulatory Analyst	Date: 8/12/2013	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: 		Director of COGCC	Date: 12/28/2013
<div style="border: 1px solid black; padding: 5px; width: fit-content;"> API NUMBER 05 087 08183 00 </div>		Expiration Date: 12/27/2015	

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.

<u>COA Type</u>	<u>Description</u>
	1) Provide 48 hour notice prior to spud via electronic Form 42. 2) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) 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.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	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 the above ground fresh water storage containment.
2	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 containment comes from a water provider, water sources permitted for consumable industrial use.

Total: 2 comment(s)

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400462735	FORM 2 SUBMITTED
400462790	DIRECTIONAL DATA
400462791	DEVIATED DRILLING PLAN
400462792	WELL LOCATION PLAT
400466320	OFFSET WELL EVALUATION
400466322	30 DAY NOTICE LETTER

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed.	12/27/2013 9:07:41 AM
Permit	Oper. corrected distance to nearest well & min. lease.	12/9/2013 10:13:38 AM
Permit	Requested review of the distance to the nearest permitted or existing well penetrating objective formation. Proposed permits are considerably closer than footage given.	9/6/2013 9:50:28 AM
Engineer	No existing wells within 1500' of proposed directional.	8/29/2013 3:29:50 PM
Permit	This form has passed completeness.	8/13/2013 8:46:39 AM

Total: 5 comment(s)