

FORM
2Rev
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:

400458413

Date Received:

07/29/2013

PluggingBond SuretyID

20110198

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: CONDOR ENERGY TECHNOLOGY LLC4. COGCC Operator Number: 103945. Address: 3315 HIGHWAY 50City: SILVER SPRINGS State: NV Zip: 894296. Contact Name: Angie Galvan Phone: (281)7165730 Fax: ()Email: Angie.Galvan@stxra.com7. Well Name: Wickstrom 18 Well Number: 11H

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

9. Proposed Total Measured Depth: 15698

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 18 Twp: 6N Rng: 60W Meridian: 6Latitude: 40.494890 Longitude: -104.133020

Footage at Surface: 270 feet FNL 1419 feet FEL
 FNL/FSL FEL/FWL

11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 4709 13. County: MORGAN

14. GPS Data:

Date of Measurement: 07/25/2013 PDOP Reading: 1.8 Instrument Operator's Name: Jim Grabowski15. 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 1837 FEL 660 FNL 1866 FEL
 Sec: 7 Twp: 6N Rng: 60W Sec: 6 Twp: 6N Rng: 60W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 4000 ft18. Distance to nearest property line: 270 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 590 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	535-321	1280	S.6 & 7:All

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):

Township 6 North Range 60 West, 6th PM Section 7: E/2. The horizontal wellbore crosses lease lines therefore the distance to the nearest lease line is 0'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 320

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	1600	800	1600	0
1ST	8+3/4	7	23	0	6500	650	6500	
1ST LINER	6+1/8	4+1/2	11.6	6300	15698			

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

33. Comments _____

34. Location ID: 435603

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: Angie Galvan

Title: Regulatory Analyst Date: 7/29/2013 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: 1/26/2014

API NUMBER

05 087 08186 00

Permit Number: _____ Expiration Date: 1/25/2016

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.

Description

Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.

Option 4: In lieu of mitigating PA/DA 801'-1500': During hydraulic stimulation of this well, monitor and report pressures on production casing and surface casing on all existing wells within 1500' of this wellbore.

- 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.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2106653	OFFSET WELL EVALUATION
400458413	FORM 2 SUBMITTED
400458437	DEVIATED DRILLING PLAN
400458438	DIRECTIONAL DATA
400458440	WELL LOCATION PLAT
400458444	30 DAY NOTICE LETTER
400458446	SURFACE AGRMT/SURETY

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Confirmed dist. to road. Oper. corrected dist. to prop. line. No LGD or public comments. Final Review--passed.	1/23/2014 1:35:42 PM
Engineer	Received Offset Well Evaluation.	1/22/2014 2:26:34 PM
Permit	Distance to nearest unit boundary is 660'.	12/6/2013 2:53:12 PM
Permit	There appears to be a county road # 11 300' to the north of the location. Not mentioned by surveyor or operator.	8/27/2013 6:43:59 AM
Engineer	Wells within 1500' of the proposed directional plan w/ formation isolation as noted: 05-087-06638, ROBINSON 1, DA: no Nbr isolation 05-087-07752, HEISER 1, DA: no Nbr isolation 05-087-07762, HEISER 44-6, PA: OK due TOC@5860xCBL / Nbr@6020 ok, 15 sx @ csg ptd @410', etc Emailed operator rep: Angie.Galvan@stxra.com, 8/15/13	8/15/2013 3:11:05 PM
Permit	This form has passed completeness.	7/30/2013 10:19:03 AM

Total: 6 comment(s)

Best Management Practices

No	<u>BMP/COA Type</u>	<u>Description</u>
1	Construction	<p>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 on Form 2A.</p> <p>The location will be fenced and the fenced area will include the fresh water storage containment.</p>
2	Drilling/Completion Operations	<p>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.</p> <p>Fresh water for the fresh water storage containment comes from a water provider, water sources permitted for consumable industrial use.</p>

Total: 2 comment(s)