

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐

Refiling ☐
Sidetrack ☒

Document Number:

400057973

Plugging Bond Surety

20100004

3. Name of Operator: WELLSTAR CORPORATION

4. COGCC Operator Number: 95245

5. Address: 11990 GRANT ST STE 550

City: NORTHGLENN State: CO Zip: 80233

6. Contact Name: Terry Hoffman Phone: (303)250-0619 Fax: (303)412-8212
Email: tlhoffman@q.com

7. Well Name: Silver Spur Minerals Well Number: 35-2

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

9. Proposed Total Measured Depth: 10447

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 35 Twp: 8N Rng: 78W Meridian: 6

Latitude: 40.618044 Longitude: -106.105967

Footage at Surface: 1996 FNL/FSL FSL 655 FEL/FWL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 8534 13. County: JACKSON

14. GPS Data:

Date of Measurement: 12/10/2008 PDOP Reading: 2.5 Instrument Operator's Name: Paul Hawkes

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

Footage at Top of Prod Zone: FNL/FSL 1583 FSL 1060 FEL 600 FEL/FWL 2021 FEL 600
Sec: 35 Twp: 8N Rng: 78W Sec: 35 Twp: 8N Rng: 78W

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: 424 ft

18. Distance to nearest property line: 655 ft 19. Distance to nearest well permitted/completed in the same formation: 10000 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			

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

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):
See attached Lease Description

25. Distance to Nearest Mineral Lease Line: 600 ft 26. Total Acres in Lease: 4720

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☐ Offsite ☒ Onsite

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR	20	16	42	60	108	60	0
SURF	12+1/4	9+5/8	36	950	450	950	0
1ST	8+3/4	7	26	8,640	350	8,640	7,140
1ST LINER	6	4+1/2	11.6	10,447	130	10,447	8,067

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

33. Comments This is the "horizontal" associated with the vertical "pilot hole" that has API #05-057-06490-00. Distance to nearest public road is 424' (Hwy 14). 2nd Option for 4 1/2" liner if not cemented, would be swell packers.

34. Location ID: 414031

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: Terry L. Hoffman

Title: Permit Agent Date: 4/28/2010 Email: tlhoffman@q.com

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: David S. Neslin Director of COGCC Date: 6/24/2010

API NUMBER

05 057 06490 01

Permit Number: _____ Expiration Date: 6/23/2012

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) COMPLY WITH NOTIFICATION REQUIREMENTS OF THE MOST CURRENT VERSION OF THE NORTHWEST COLORADO NOTIFICATION POLICY.

24-HOUR NOTICE TO MOVE ON LOCATION REQUIRED. E-MAIL: Shaun.Kellerby@state.co.us

(2) CEMENT-COVERAGE VERIFICATION BY CBL REQUIRED.

(3) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 298 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400057973	FORM 2 SUBMITTED	LF@2459487 400057973
400058018	DEVIATED DRILLING PLAN	LF@2459488 400058018
400058019	WELL LOCATION PLAT	LF@2459490 400058019
400058020	LEGAL/LEASE DESCRIPTION	LF@2459491 400058020

Total Attach: 4 Files