

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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Date Received:

03/09/2012

PluggingBond SuretyID

20050122

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: HILCORP ENERGY COMPANY4. COGCC Operator Number: 101335. Address: P O BOX 61229City: HOUSTON State: TX Zip: 772086. Contact Name: John McKnight Phone: (713)289-2755 Fax: (713)209-2478Email: jmcknight@hilcorp.com7. Well Name: Myers Well Number: 21-06CH

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

9. Proposed Total Measured Depth: 9979

WELL LOCATION INFORMATION

10. QtrQtr: Lot 3 Sec: 6 Twp: 14S Rng: 63W Meridian: 6Latitude: 38.865690 Longitude: -104.491510Footage at Surface: 625 feet FNL/FSL 1980 feet FEL/FWL FWL11. Field Name: Wildcat Field Number: 9999912. Ground Elevation: 6340 13. County: EL PASO

14. GPS Data:

Date of Measurement: 02/24/2012 PDOP Reading: 1.1 Instrument Operator's Name: K. Daley15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 716 FNL 1979 FWL 600 FSL 1980 FWL 600
Sec: 6 Twp: 14S Rng: 63W Sec: 6 Twp: 14S Rng: 63W16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 2595 ft18. Distance to nearest property line: 625 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 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			E/2W/2

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):

See attached.

25. Distance to Nearest Mineral Lease Line: 600 ft

26. Total Acres in Lease: 1020

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: Closed Loop

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	17+1/2	16+3/8	0	0	40	0	40	0
SURF	13+1/2	10+3/4	40.50	0	1,600	550	1,600	0
1ST	8+1/2	5+1/2	20	0	9,980	1,480	9,980	0

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

33. Comments This Form 2 represents the horizontal leg which will be drilled out of the same bore hole of the attached Form 2 representing the vertical pilot hole. There are no wells within one mile of the proposed location.

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: Chris F. McRickard

Title: Permit Agent Date: 3/9/2012 Email: chris@banko1.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: _____ Director of COGCC Date: _____

API NUMBER

05

Permit Number: _____ Expiration Date: _____

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.

Attachment Check List

Att Doc Num	Name
400259341	TOPO MAP
400259344	DEVIATED DRILLING PLAN
400260103	LEGAL/LEASE DESCRIPTION
400260138	DRILLING PLAN
400260139	PLAT
400260523	DIRECTIONAL DATA

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Storm Water/Erosion Control	Hilcorp will implement a storm water and erosion plan to prevent sedimentation and erosion.

Total: 1 comment(s)