

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



Document Number:

400263158

Date Received:

04/05/2012

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER Pilot
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

PluggingBond SuretyID

20050122

3. Name of Operator: HILCORP ENERGY COMPANY

4. COGCC Operator Number: 10133

5. Address: P O BOX 61229

City: HOUSTON State: TX Zip: 77208

6. Contact Name: John McKnight Phone: (713)289-2755 Fax: (713)209-2478

Email: chris@banko1.com

7. Well Name: State Well Number: 14-9BH

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

9. Proposed Total Measured Depth: 6575

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 9 Twp: 3N Rng: 62W Meridian: 6

Latitude: 40.233350 Longitude: -104.335770

Footage at Surface: 150 feet FNL/FSL 690 feet FEL/FWL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 4631 13. County: WELD

14. GPS Data:

Date of Measurement: 11/30/2011 PDOP Reading: 1.2 Instrument Operator's Name: R. Daley

15. 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: _____

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: 915 ft

18. Distance to nearest property line: 150 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 4575 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 #: ST-7873.3

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: 20110175

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):

T3N R62W Sec. 9: ALL

25. Distance to Nearest Mineral Lease Line: 150 ft 26. Total Acres in Lease: 640

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 Drilling

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	20		0	40	0	0	0
SURF	17+1/2	13+3/8	54.5	0	2,000	1,280	2,000	0
1ST	12+1/4	9+5/8	36	0	5,500	860	5,500	0
2ND	8+1/2	5+1/2	20	0	10,631	1,035	10,631	0

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

33. Comments 1) A Closed Loop drilling system will be utilized.2) Hilcorp will utilize a cuttings pit for down hole debris. Before cuttings are buried onsite in cuttings pit, Hilcorp will have cuttings tested. 3) This Form 2 is for the pilot hole. A separate Form 2 will be identified in the "Related Forms" tab and will represent the horizontal leg.4) Closet mineral lease measured from proposed BHL.

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: 4/5/2012 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
400264628	WELL LOCATION PLAT
400264629	TOPO MAP
400268651	DRILLING PLAN

Total Attach: 3 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	BMP will be in place at well pad site to prevent storm water & sediment erosion.

Total: 1 comment(s)