

FORM
2

Rev
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:

400293351

Date Received:

07/12/2012

PluggingBond SuretyID

20120011

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: NIGHTHAWK PRODUCTION LLC

4. COGCC Operator Number: 10399

5. Address: 1805 SHEA CENTER DR #290

City: HIGHLANDS State: CO Zip: 80129
RANCH

6. Contact Name: CHUCK WILSON Phone: (303)407-9603 Fax: ()

Email: chuckwilson@nighthawkenergy.com

7. Well Name: JOHN CRAIG Well Number: 6-2

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

9. Proposed Total Measured Depth: 8400

WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 2 Twp: 10S Rng: 56W Meridian: 6

Latitude: 39.209550 Longitude: -103.632190

Footage at Surface: 2038 feet FNL/FSL FNL 2267 feet FEL/FWL
FNL/FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 5271 13. County: LINCOLN

14. GPS Data:

Date of Measurement: 05/29/2012 PDOP Reading: 2.5 Instrument Operator's Name: KEITH WESTFALL

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: 477 ft

18. Distance to nearest property line: 2038 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1216 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.)
Atoka	ATOK			
Cherokee	CHRK			
Keyes	KEYES			
Lansing	LNSNG			
Marmaton	MRTN			
Morrow	MRRW			
Spergen	SPGN			
Warsaw	WRSW			

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):
ALL OF SECTION 2, T10S, R56W (PLUS ADDITIONAL, SEE ATTACHED EXHIBIT A)

25. Distance to Nearest Mineral Lease Line: 2038 ft 26. Total Acres in Lease: 5157

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: BACK FILL WHEN DRY

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
SURF	12+1/4	8+5/8	24	0	300	197	300	0
1ST	7+7/8	5+1/2	17	0	8,400	574	8,400	3,649
S.C. 1.1					4,750		4,750	4,250

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

33. Comments NO CONDUCTOR CASING WILL BE USED.

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: KYLA VAUGHAN

Title: AGENT FOR NIGHTHAWK PROD. Date: 7/12/2012 Email: kvaughan@ltenv.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: 8/7/2012

API NUMBER

05 073 06477 00

Permit Number: _____ Expiration Date: 8/6/2014

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) Provide 48 hour notice prior to spud via Form 42.
- 2) If production casing is set provide cement coverage to at least 200' above the shallowest completed interval or CHRK, whichever is shallower and stage cement Cheyenne/Dakota (4750'-4250' minimum). Run and submit CBL to verify cemented intervals.
- 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the MRRW, 40 sks cement +/- 50' above the CHRK, 40 sks cement across any DST w/ show, 40 sks cement at 4750' up, 40 sks cement at 4250' up, 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Attachment Check List

Att Doc Num	Name
2532940	EXCEPTION LOC REQUEST
400293351	FORM 2 SUBMITTED
400293371	WELL LOCATION PLAT
400293372	WELL LOCATION PLAT
400293375	TOPO MAP
400293377	LEGAL/LEASE DESCRIPTION
400305292	SURFACE AGRMT/SURETY
400305294	SURFACE AGRMT/SURETY

Total Attach: 8 Files

General Comments

User Group	Comment	Comment Date
Permit	Final review completed; no LGD or public comment received.	3/6/2012 3:18:34 PM
Permit	Operator provided exception location request.	3/6/2012 3:17:24 PM
Permit	Email to opr to verify distance to nearest cultural feature, confirm location plats, distance to nearest permitted production. NKP 7/25/2012	7/25/2012 4:31:26 PM
Permit	Operator attached correct SUA.	7/13/2012 7:52:55 AM
Permit	Returned to draft. SUA is for T13S, not T10S.	7/12/2012 2:10:36 PM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	<p>Certificate to Discharge Under CDPHE General Permit No. COR-030000 Stormwater Discharges Associated with Construction Certification NO. COR031825 Prior to construction, perimeter controls will be installed utilizing cuttings from the clearing operations. Once the well pad has been constructed a variety of BMP's shall be utilized for the site specific conditions. BMP's to be utilized may include, but are not limited to:</p> <ul style="list-style-type: none">-Dirt Ditch/Berm-Erosion Control Blankets-Straw Bale Barrier-Straw Wattles-Seeding-Imported Hard Armor-Check Dams-Culvert/Culvert Protection-Crimped Straw-Silt Fence-Surface Roughening/Surface Rip <p>During construction, each site will be inspected every 14 days and 24-72 hours after any precipitation event causing erosion depending on the current site activities. These inspections will be recorded and maintained on Nighthawk's Stormwater Database/Website. Repairs shall be completed as soon as possible after an inspection reporting BMP repairs are required. Any site specific modifications will be revised on the site plan when implemented at the site. A field wide Stormwater Management Plan (SWMP) for the Jolly Ranch Project Area is located at Nighthawk's office and can be obtained from Nighthawk's stormwater website. Spill Protection Control and Countermeasures (SPCC) plans for the Jolly Ranch Project Area are stored on file at Nighthawk's office. The field wide SWMP address SPCC during construction operations.</p>

Total: 1 comment(s)