

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:

400305525

Date Received:

07/13/2012

PluggingBond SuretyID

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

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

Refiling ☐

Sidetrack ☐

3. Name of Operator: VAQUERO ENERGY INC

4. COGCC Operator Number: 10318

5. Address: 5060 CALIFORNIA AVE STE 640

City: BAKERSFIELD State: CA Zip: 93309

6. Contact Name: Chuck Dobie Phone: (661)6160600 Fax: (661)6160601

Email: cdobie@vaqueroenergy.com

7. Well Name: Federal 1-35 Well Number: 06744

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

9. Proposed Total Measured Depth: 4497

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 35 Twp: 9N Rng: 91W Meridian: 6

Latitude: 40.694429

Longitude: -107.569869

Footage at Surface: 2200 feet FSL 1900 feet FEL

11. Field Name: Blue Gravel Field Number: 6970

12. Ground Elevation: 6607 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 09/24/1991 PDOP Reading: 1.0 Instrument Operator's Name: x

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: 15392 ft

18. Distance to nearest property line: 773 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1 mi

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.)
Lance	LNCE			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC 123066

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 in T. 9N, R. 91 W---SE/4SW/4 & S/2SE/4 Sec 21; S/2SW/4 Sec 22; NE/4 & N/2SE/4 Sec 26; S/2SE/4 Sec 28; S/2NE/4 & SE/4 Sec. 35

25. Distance to Nearest Mineral Lease Line: 750 ft

26. Total Acres in Lease: 755

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: No Mud Planned

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	35	230	351	
1ST	7+7/8	5+1/2	15.5	0	4,497	350		1,630

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

33. Comments

34. Location ID: 313024

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: Chuck Dobie

Title: Engineer

Date: 7/13/2012

Email: cdobie@vaqueroenergy.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: 8/18/2012

API NUMBER

05 081 06744 00

Permit Number: _____

Expiration Date: 8/17/2014

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. INJECTION IS NOT AUTHORIZED UNTIL APPROVAL OF FORMS 31 AND 33.
2. PRIOR APPROVAL OF FORM 4 IS REQUIRED FOR STEP RATE AND INJECTIVITY TESTS.
3. RETRIEVE WATER SAMPLE BEFORE STIMULATING FORMATION.
4. COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.
5. THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400305525	FORM 2 SUBMITTED
400305527	SURFACE AGRMT/SURETY

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Related sundry #2130575 approved. Form 33 #2617667 in process. This well currently Lewis injector; recomplete as Lance injector. No LGD or public comments. Final Review--passed.	8/17/2012 7:56:28 AM
Permit	Req'd recompletion sundry with WBD. Changed dist. to nearest lease to 750'. Changed dist. to nearest well to greater than 1 mile.	3/6/2012 9:28:23 AM
Permit	Changed well location to 1900 FEL per operator.	7/27/2012 11:28:24 AM
Permit	Operator filled in the lines. Returned to draft. Well location does not match original APD and survey.	7/26/2012 8:10:06 AM
Permit	Returned to draft. Lines 17, 18, 19 not filled in Need Lease Description Lines 23, 24, 25 Need location ID line 34 Line 36 - not answered	7/13/2012 2:00:00 PM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)