

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:

400250933

Date Received:

10/19/2012

PluggingBond SuretyID

20110198

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: CONDOR ENERGY TECHNOLOGY LLC

4. COGCC Operator Number: 10394

5. Address: 3315 HIGHWAY 50

City: SILVER SPRINGS State: NV Zip: 89429

6. Contact Name: Angie Galvan Phone: (281)716-5730 Fax: (281)815-2882

Email: Angie.Galvan@stxra.com

7. Well Name: LOGAN Well Number: 2H

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

9. Proposed Total Measured Depth: 12894

WELL LOCATION INFORMATION

10. QtrQtr: SWSE Sec: 19 Twp: 7N Rng: 59W Meridian: 6

Latitude: 40.554300 Longitude: -104.018800

Footage at Surface: 330 feet FNL/FSL 1745 feet FEL/FWL FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4939 13. County: WELD

14. GPS Data:

Date of Measurement: 08/16/2012 PDOP Reading: 2.0 Instrument Operator's Name: Marc Woodard

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

Footage at Top of Prod Zone: FNL/FSL 645 FSL 1240 FEL 640 FEL/FWL 1660 FEL 640
Sec: 19 Twp: 7N Rng: 59W Sec: 20 Twp: 7N Rng: 59W

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: 3570 ft

18. Distance to nearest property line: 330 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 | 535-206 | 1280 | SEC. 19 & 20 |

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):

Township 7 North Range 59 West 6th PM Section 19 E/2

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 320

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: _____

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 | 16 | 75 | 0 | 40 | 20 | 40 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1,000 | 500 | 1,000 | 0 |
| 1ST | 8+3/4 | 7 | 23 | 0 | 6,560 | 650 | 6,560 | |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 5600 | 12,894 | | | |

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

33. Comments THIS FORM IS SUBMITTED IN CONJUNCTION WITH FORM 2A (DOCUMENT NUMBER 400251016). Application to establish a spacing unit has been made and is on the October 1, 2012 hearing docket. A facility ID Number for Land Spreading has been established (Facility ID# 429467)

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: Angie Galvan

Title: Regulatory Analyst

Date: 10/19/2012

Email: Angie.Galvan@stxra.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: _____

Matthew Lee

Director of COGCC

Date: 11/20/2012

API NUMBER

05 123 36316 00

Permit Number: _____ Expiration Date: 11/19/2014

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 electronic Form 42.
- 2) Provide cement coverage from base of intermediate casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400250933 | FORM 2 SUBMITTED |
| 400327276 | WELL LOCATION PLAT |
| 400331782 | 30 DAY NOTICE LETTER |
| 400331783 | DIRECTIONAL DATA |
| 400331784 | DEVIATED DRILLING PLAN |

Total Attach: 5 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | Corrected distance to nearest well per operator. Final Review Completed. No LGD or public comment received. | 11/13/2012 11:22:04 AM |
| Permit | Spacing order was passed in October 535-206. Requested clarification of mineral lease. Initial review complete. | 10/22/2012 4:00:02 PM |
| Permit | This form passed completeness. | 10/22/2012 6:40:21 AM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------------------|--|
| Construction | <p>Operator has designed the well pad with insloping and a storm water control ditch to prevent storm water run-on/run-off and the release of fluids for the location. See attached Construction Layout Drawing.</p> <p>The location will be fenced and the fenced area will include the Fresh Water Storage Pit.</p> <p>Fresh Water Storage Pit has already been constructed on Section 31 Township 7N Range 59W and will be used for the storage of fresh water for the Logan 2H well to minimize surface disturbance.</p> |
| Drilling/Completion Operations | <p>Operator will ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and completion. Operator will implement best management practices to contain any unintentional release of fluids.</p> <p>Fresh water for the Fresh Water Storage Pit comes from water provider; water sources permitted for consumable industrial use.</p> |

Total: 2 comment(s)