

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:

400336179

Date Received:

11/02/2012

PluggingBond SuretyID

20080067

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: VECTA OIL & GAS LTD

4. COGCC Operator Number: 10267

5. Address: 575 UNION BLVD #208

City: LAKEWOOD State: CO Zip: 80228

6. Contact Name: Mathew Goolsby Phone: (303)618-7736 Fax: (303)945-2869

Email: matgoolsby@vecta-denver.com

7. Well Name: Bierstadt Well Number: 32-33

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

9. Proposed Total Measured Depth: 5650

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 33 Twp: 13s Rng: 47w Meridian: 6

Latitude: 38.876760

Longitude: -102.674340

Footage at Surface: 1612 feet FNL/FSL 2061 feet FEL/FWL
FNL FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 4330 13. County: CHEYENNE

14. GPS Data:

Date of Measurement: 10/04/2012 PDOP Reading: 1.6 Instrument Operator's Name: Sally Pettibone

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: 1612 ft

18. Distance to nearest property line: 586 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 4616 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.)
Morrow	MRRW			
Spergen	SPGN			

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 33, T13S, R47W, 6 PM

25. Distance to Nearest Mineral Lease Line: 1612 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: _____

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	400	250	400	0
1ST	7+7/8	5+1/2	15.5	0	5,535	205	5,535	3,850
	7+7/8	5+1/2	Stage Tool	0	3,070	350	3,070	0

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

33. Comments 1) No conductor pipe is planned for this well.2) If well appears productive, a stage tool will be set in the Stone Corral with cement pumped to surface to protect Cheyenne and Dakota aquifers.

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: Mathew Goolsby

Title: VP-Operations

Date: 11/2/2012

Email: matgoolsby@vecta-denver.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: 11/27/2012

API NUMBER

05 017 07733 00

Permit Number: _____ Expiration Date: 11/26/2014

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) If production casing is set provide cement coverage from TD to at least 200' above the shallowest completed interval or 200' above Morrow, whichever is shallower. Cement across Cheyenne/Dakota aquifers (minimum 2500' – 1700'). Verify with CBL.
- 3) If well is a dry hole set the following plugs: 40 sks cement +/- 50' above the Spergen, 40 sks cement +/- 50' above the Morrow, 40 sks cement +/- 50' above any DST w/ show, 40 sks cement at 2500' up, 40 sks cement at 1700' up, 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400336179	FORM 2 SUBMITTED
400336187	WELL LOCATION PLAT
400336188	TOPO MAP
400342625	SURFACE AGRMT/SURETY

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Operator verified that the lease does cover the whole section. Final reveiw completed.	11/26/2012 11:32:17 AM
Permit	Morrow spacing vacated.	11/13/2012 6:55:19 AM
Permit	Upated permit with operator revised distance to property line.	11/5/2012 1:41:42 PM
Permit	Requesting verification that operator has a single lease that is the whole section.	11/5/2012 6:48:48 AM
Permit	This form passed completeness.	11/4/2012 12:06:32 AM

Total: 5 comment(s)

BMP

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

Total: 0 comment(s)