

FORM  
2

Rev  
12/05

# State of Colorado Oil and Gas Conservation Commission

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Document Number:

400402161

Date Received:

04/10/2013

PluggingBond SuretyID

20120107

## 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: AURORA POWER RESOURCES INC

4. COGCC Operator Number: 10440

5. Address: 6051 NORTH COURSE DR

City: HOUSTON State: TX Zip: 77072

6. Contact Name: Kimberly Rodell Phone: (303)942-0506 Fax: ( )

Email: krodell@upstreampm.com

7. Well Name: CC Karval Well Number: 1

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

9. Proposed Total Measured Depth: 6700

## WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 23 Twp: 17S Rng: 53W Meridian: 6

Latitude: 38.562190 Longitude: -103.309180

Footage at Surface: 1980 feet FNL 1980 feet FEL  
FNL/FSL FEL/FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 4615 13. County: LINCOLN

### 14. GPS Data:

Date of Measurement: 03/20/2013 PDOP Reading: 1.2 Instrument Operator's Name: Robert 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: 5280 ft

18. Distance to nearest property line: 1980 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 17890 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.)
Mississippian	MSSP			

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):

Please see attached lease description.

25. Distance to Nearest Mineral Lease Line: 604 ft 26. Total Acres in Lease: 11416

### 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: Backfill and cover

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	94	0	30	75	30	0
SURF	12+1/4	8+5/8	24	0	400	250	400	0
1ST	7+7/8	5+1/2	15.5	0	6,700	330	6,700	4,200

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

33. Comments \_\_\_\_\_

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: Kimberly Rodell

Title: Permit Agent Date: 4/10/2013 Email: krodell@upstreampm.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: 5/18/2013

Permit Number: \_\_\_\_\_ Expiration Date: 5/17/2015

<b>API NUMBER</b>
05 073 06534 00

**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 to at least 200' above the shallowest completed interval and cement Cheyenne/Dakota interval (2200'-1600' minimum). Run and submit CBL.
- 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the MSSP, 40 sks cement +/- 50' above any DST w/ show, 40 sks cement at 2200' up, 40 sks cement at 1600' 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.

**Applicable Policies and Notices to Operators**

Notice Concerning Operating Requirements for Wildlife Protection.

**Attachment Check List**

Att Doc Num	Name
400402161	FORM 2 SUBMITTED
400402349	LEGAL/LEASE DESCRIPTION
400402350	TOPO MAP
400402351	PLAT
400402731	DRILLING PLAN

Total Attach: 5 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Final review completed; no public comment received.	5/10/2013 2:54:20 PM
LGD	County Permit #1335	4/12/2013 12:37:08 PM
Permit	Operator is following statewide setback Rule 318a. There is no assigned 40 acre units.	4/11/2013 12:23:20 PM
Permit	Operator has listed a 40 acre unit with the objective. This are is not unitized. Requested clarification.	4/11/2013 12:04:12 PM
Permit	Operator corrected plugging bond. This form has passed completeness.	4/11/2013 8:44:57 AM
Permit	Returned to draft. Requested plugging bond.	4/11/2013 6:12:33 AM

Total: 6 comment(s)

**BMP**

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