

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:

400456002

Date Received:

07/25/2013

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)7165730 Fax: ()

Email: Angie.Galvan@stxra.com

7. Well Name: Wickstrom 18 Well Number: 4H

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

9. Proposed Total Measured Depth: 14495

WELL LOCATION INFORMATION

10. QtrQtr: NENW Sec: 18 Twp: 6N Rng: 60W Meridian: 6

Latitude: 40.494700 Longitude: -104.141680

Footage at Surface: 343 feet FNL 1599 feet FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 4700 13. County: MORGAN

14. GPS Data:

Date of Measurement: 02/15/2013 PDOP Reading: 2.2 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 FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
1458 FNL 660 FWL 1235 FSL 660 FWL
Sec: 18 Twp: 6N Rng: 60W Sec: 19 Twp: 6N Rng: 60W

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: 1590 ft

18. Distance to nearest property line: 343 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 430 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 | 535-322 | 1280 | S.18&19:All |

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 6 North Range 60 West, 6th PM Section 18: Lots 1 (43.48), 2 (43.01), 3 (42.63), NE/4, E/2SW/4, E/2SW/4, E/2NW/4. The horizontal wellbore crosses lease lines therefore the distance to the nearest lease line is 0'.

25. Distance to Nearest Mineral Lease Line: 0 ft

26. Total Acres in Lease: 450

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 | 1600 | 800 | 1600 | 0 |
| 1ST | 8+3/4 | 7 | 23 | 0 | 6600 | 650 | 6600 | |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 6400 | 14495 | | | |

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

33. Comments _____

34. Location ID: 433082

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: 7/25/2013 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: 1/26/2014

API NUMBER

05 087 08187 00

Permit Number: _____ Expiration Date: 1/25/2016

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.

Description

Option #4 - Operator shall provide directional survey and completion information demonstrating isolation from Dryer Group #2 and Furrow #19-13 prior to stimulation. In lieu of mitigating PA/DA 801'-1500': During hydraulic stimulation of this well, monitor and report pressures on production casing and surface casing on all existing wells within 1500' of this wellbore.

- 1) Provide 48 hour notice prior to spud via electronic Form 42.
- 2) Provide cement coverage 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.

Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|---------------------------|------------------------|
| 2106647 | OFFSET WELL EVALUATION |
| 2157404 | WELL LOCATION PLAT |
| 2157433 | DEVIATED DRILLING PLAN |
| 400456002 | FORM 2 SUBMITTED |
| 400457454 | SURFACE AGRMT/SURETY |
| 400539236 | DIRECTIONAL DATA |

Total Attach: 6 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Permit | Oper. corrected dist. to nearest well, TD, prop. line, and surface/mineral owner info. Distance to nearest unit boundary is 660'. No LGD or public comments. Final Review--passed. | 1/23/2014 10:53:05 AM |
| Engineer | Received Offset Well Evaluation. | 1/22/2014 2:45:08 PM |
| Permit | Oper. submitted revised Xcel template & dev. drlg. plan. Need to revise dist. to nearest well? | 1/14/2014 7:23:06 AM |
| Permit | Oper. submitted revised well loc. plat. | 1/6/2014 11:15:47 AM |
| Engineer | Requested new directional data and deviated drilling plan. | 12/30/2013 4:50:46 PM |
| Engineer | Wells within 1500' of the proposed directional plan w/ formation isolation as noted: 05-087-40031, LEONA BUTTERS 1, PA: no Nbr isolation 05-087-07751, KNAPPE 3, PR: OK due Nbr covered 05-087-07771, BRADDEN 11-18, PA: OK due perf'd at 1650 CICR at 1600 sqzd 48 sx cmt + 2 sx on top, converted 05-087-07100, NICKSON - DYER GROUP 2, DA: OK due 15 sx plug at 3180-3223 05-087-08127, FURROW 19-13, PA: no Nbr isolation 05-087-08136, GREASEWOOD ORPHAN 1, DA: no docs 05-123-05220, NILES 1, PA: no Nbr isolation 05-123-12977, FRANKS-DON 1, PA: marginal, has CIBP + 2 sx @3140 w/ TOC 2860, but no shoe plug 05-123-05216, WILLIAM WILSON 1, DA: TD 850?, no docs Emailed operator rep: Angie.Galvan@stxra.com, 8/15/13 | 8/15/2013 2:48:58 PM |
| Permit | Operator made corrections. This form has passed completeness. | 7/26/2013 2:34:27 PM |
| Permit | Returned to draft. Missing location ID and SUA. | 7/26/2013 9:25:02 AM |

Total: 8 comment(s)

Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u> | <u>Description</u> |
|-----------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Construction | Operator has designed the well pad with insloping and a storm water control ditch to prevent storm water run-off.run-on and the release of fluids for the location. See attached Constructiion Layout Drawing on Form 2A. The location will be fenced and the fenced area will include the Fresh Water Storage containment. |
| 2 | Drilling/Completion Operations | 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 managemnet practices to contain any unintentional release of fluids. Fresh water for the Fresh Water Storage containment comes from a water provider, water sources permitted for consumable industrial use. |

Total: 2 comment(s)