

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400248960

Date Received:

02/09/2012

PluggingBond SuretyID

20110198

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER PILOT
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: Ford Family Trust Well Number: 2H

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

9. Proposed Total Measured Depth: 8000

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 31 Twp: 7N Rng: 59W Meridian: 6

Latitude: 40.525095 Longitude: -104.030992

Footage at Surface: 250 feet FSL 375 feet FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 4923 13. County: WELD

14. GPS Data:

Date of Measurement: 01/25/2012 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 _____ 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: 210 ft

18. Distance to nearest property line: 250 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2 mi

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	535-144	640	SEC. 31

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 7N59W 6th PM Section 21 E/2, Section 30 E/2SW/4, Section 31 E/2W/2, E/2

25. Distance to Nearest Mineral Lease Line: 250 ft 26. Total Acres in Lease: 1129

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	40	0

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

33. Comments THIS FORM 2 IS SUBMITTED FOR A PILOT HOLE IN CONJUNCTION WITH FORM 2(HORIZONTAL-DOCUMENT NUMBER 400249070) AND FORM 2A(DOCUMENT NUMBER 400249016), and attachments submitted with said forms are applicable to this pilot hole. Application for a drilling and spacing unit has been made and is on the March 5, 2012 docket for approval. Pilot hole will be plugged back to 5500' with 1000 sacks of cement; hole size is 8.75"

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: Angelina Galvan

Title: Regulatory Analyst Date: 2/9/2012 Email: Angie.Galvan@stxra.com

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: 4/2/2012

API NUMBER: **05 123 35357 00** Permit Number: _____ Expiration Date: 4/1/2014

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 of MIRU to Jim Precup by e-mail at james.precup@state.co.us. Indicate Spud Notice in the subject line and provide the following information: Operator Name, Well Name and Number, API #, Spud Date, Contact Name, Contact Phone #, Email Address. Submit Form 42 electronically after April 1 for spud notice.
 2) Plug back pilot hole: Dakota, J-Sand, D-Sand, Codell, Niobrara must be isolated from each other with 100' cement plugs.

Attachment Check List

Att Doc Num	Name
2331840	SURFACE CASING CHECK
400248960	FORM 2 SUBMITTED
400249345	30 DAY NOTICE LETTER
400250329	WELL LOCATION PLAT

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Power line verified at 210 feet by operator. Rig height 133 feet per operator. Power line less than 1 1/2 times the rig height.	3/29/2012 3:49:47 PM
Permit	On hold - Pending verification of distance to power line.	3/26/2012 10:56:12 AM
Permit	No LGD or public comment received; final review completed.	3/26/2012 9:33:32 AM
Permit	Operator corrected surface and minerals information. This form has passed completeness.	2/10/2012 2:22:16 PM
Permit	Returned to draft. Invalid surface and minerals information and casing.	2/9/2012 10:51:12 AM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Planning	Form 15 Pit Report will be submitted within 30 days of construction of the fresh water storage pit.
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 management practices to contain any unintentional release of fluids. Fresh water for the Fresh Water Storage Pit comes from water provider; water sources permitted for consumable industrial use. Fresh Water Storage Pit shall contain fresh water only and sipage prohibiting the use of the pit for any fluid that does not come from municipal, irrigation or surface water source.
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 from the location. See attached Construction Layout Drawing. The location will be fenced and the fenced area will include the Fresh Water Storage Pit. The COGCC to be notified 48 hours prior to consturction of the Fresh Water Storage Pit.

Total: 3 comment(s)