

STATE OF NEVADA
COMMISSION ON MINERAL RESOURCES

RECEIVED

DIVISION OF MINERALS

400 W. King Street, Suite 106
Carson City, Nevada 89703
(775) 684-7040 : Fax (775) 684-7052

APR 04 2012

Division of Minerals

APPLICATION FOR PERMIT TO DRILL AN OIL OR GAS WELL

(Application must be accompanied by \$200 permit fee. Submit proposed drilling program with this application.)

Company/Operator Bright Sky Energy and Minerals, Inc.

Send permit to:

Street/ PO Box 17501 Rimrock Dr.

City Golden

State COLORADO

Zip 80401

Telephone 303-216-2862

Lease name White River Valley

WELL LOCATION

	X				

Well No. 1-35 within the SW 1/4 ³ SW 1/4 ³

Sec 35, T. 8 N, R. 61 E M.D.B.M.

UTM Northing 4263997 N; UTM Easting 666287 E (Using NAD27 Datum)

Note: Please convert UTM's from NAD83 to NAD27

Field White River Valley

County Nye

The well is 103 feet from (N) (S) line and
and 753 feet from (E) (W) line of the section.

(Give location from section line, cross out wrong directions.)

Distance and direction from nearest town 24 miles South from Lunyrd

If patented land, Fee Owner is

Section

Locate well correctly.

Fee Owner Address

If government land, lease serial No. is NVN 86657

Land Type: Federal (BLM, USFS, etc.)

Private

State

Lessee is Bright Sky Energy and Minerals, Inc.

Address 711 S CARSON ST STE 4, CARSON CITY 897001, Nevada

It is proposed to drill the well to a depth of 12,500 feet using a rotary rig.

The elevation is 5221.64 feet above sea level.

The KB will be 15 - 20 f

If this is a wildcat well, attach plat by licensed surveyor showing location.

The status of a bond for this well is conformance with NRS 522.230 of the Nevada Revised Statutes is:

\$ 10,000 USD bond was submitted to BLM, Nevada, Reno on Form 3000-4 (Cashier's check Ser.#0479400178)

If bond posted with U.S. Government, what is name of surety company?

Bond number?



I certify that I have personal knowledge of the facts above stated and that they are true, correct, and complete.

Signed *Tibor G Rozgonyi*
Name Tibor G Rozgonyi
Position Vice President and COO
Date March 31, 20 12

Permit No. 926
API No. 27-023-05617
Approval Date 6/13/12
By *Alan R. Lyon*

CONDITIONS OF PERMIT

- 1. Please send daily drilling reports to : Lowell Price.....lprice@govmail.state.nv.us
and
Lindalwells@govmail.state.nv.us
- 2. Additional Conditions/Comments

A.	<i>See attached Condition of Approval.</i>
B.	
C.	

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MAR 02 2016

DIVISION OF MINERALS

**OIL, GAS, AND GEOTHERMAL
 SUNDRY NOTICE AND REPORT ON WELLS**

- | | |
|---|---|
| <input type="checkbox"/> Notice of Intention of Change in Drilling Plans | <input type="checkbox"/> Subsequent Report of Fracture Treatment |
| <input type="checkbox"/> Notice of Intention to Reopen or Repair Well | <input type="checkbox"/> Subsequent Report of Reopening or Repair |
| <input checked="" type="checkbox"/> Notice of Intention to Stimulate Well | <input type="checkbox"/> Subsequent Report of Stimulation |
| <input type="checkbox"/> Notice of Intention to Pull or Alter Casing | <input type="checkbox"/> Subsequent Report of Altering Casing |
| <input type="checkbox"/> Notice of Intention to Abandon Well | <input type="checkbox"/> Supplementary Well History |
| <input type="checkbox"/> Notice of Exception to Sample Water | <input type="checkbox"/> Notice of Intention to Fracture Treat Formation(s) |
| | <input type="checkbox"/> Other (Explain in "Summary of Work") |

(Indicate above by check mark, nature of report, notice or other data.)

Permit Number	926
Well No.	BSEM Fed 1-35
County	Nye
Company Name	Bright Sky Energy and Minerals, Inc.
Field or Area	wildcat
Farm or Lease	BLM NVN 86657 and NVN 86605
Date	Feb. 18 2016

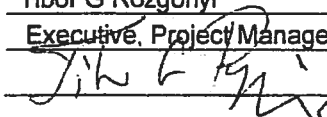
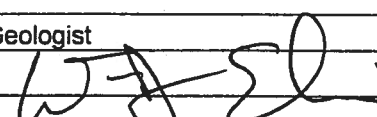
SUMMARY OF WORK

(State names of and expected depths to objective zones or formations: show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and ALL other pertinent data.) Attachments permitted if necessary.

Bright Sky Energy and Minerals, Inc. (BSEM) proposes to Hydraulically Fracture (HF) and stimulate the BSEM Federal 1-35 well.


The zones to be stimulated and proposed program are outlined in the attached Area of Review.

I understand that this plan of work must receive approval in writing of the Division of Minerals before operations may be commenced.

Company	Bright Sky Energy and Minerals, Inc.	
Address	17601 S. Golden Road	
	Golden, CO 80401	
Name	Tibor G Rozgonyi	Wm.J. Ehni
Position	Executive, Project Manager	Consulting Geologist
Signature		

REMARKS: Either person can represent the company in front of the authorities.

This sundry notice is valid for up to one (1) year from the date of approval, unless otherwise stated.

DO NOT WRITE IN THE SPACE BELOW	
Approved by	
Position	ADMINISTRATOR
Date	2-8-2017



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<http://minerals.nv.gov/>



BRIAN SANDOVAL
 Governor

Las Vegas Office: 2030 E. Flamingo Rd. #220, Las Vegas, NV 89119
 Phone: (702) 486-4343; Fax: (702) 486-4345

RICHARD PERRY
 Administrator

February 8, 2017

Operator: Bright Sky Energy and Minerals, Inc.
Lease Name: NVN 86657
Well: 1-35
Permit Number: 926

Conditions of Approval

Bright Sky Energy and Minerals, Inc. sundry notice for the proposed well stimulation procedure of the 1-35 well, dated February 18, 2016, received on March 2, 2016, and having received BLM notification of approval on February 7, 2017, has been approved by the Division of Minerals. The approved sundry notice is subject to the following Conditions of Approval:

1. A water sample from the water well on the 1-35 drill pad must be properly sampled and tested by a certified laboratory within twelve months of the stimulation procedure. The Division of Minerals must receive the results of the testing at least 14 days prior to the stimulation procedure.
2. Real property owners within the Area of Review and the Nye County Commission must be notified in writing of the upcoming stimulation procedure not less than 14 days prior to the stimulation procedure and the operator must maintain a record of these notifications and methods.
3. The Oil, Gas, and Geothermal Program Manager is to be notified at least 24 hours in advance of the well stimulation.
4. All chemical and base fluid use is to be reported to fracfocus.org within sixty (60) days of the completion of the well stimulation operations, as listed in NAC 522.728 (4).
5. Stimulation or bottom hole pressures are not to exceed 90% of the 7,240 psig burst rating of the 7 inch (26 pound, L-80 grade) production casing.
6. The annular spaces between the surface and intermediate casing, and the intermediate and production casing, are to be monitored for pressure change. Bright Sky Energy and Minerals, Inc. shall immediately stop the hydraulic fracturing process and notify the Division of Minerals if any change in annular pressure is observed suggesting a communication with the hydraulic fracturing fluids.
7. All back-flushed hydraulic fracturing fluids must be contained in enclosed containers while the fluids are on the 1-35 drill pad, unless another method of storage is otherwise approved by the Nevada Division of Environmental Protection.
8. Bright Sky Energy and Minerals, Inc. must safely transport the backflushed fluids to a commercial disposal facility in Utah, as proposed and approved in the stimulation program/sundry notice. When the back-flushed hydraulic fracturing fluids are removed from the 1-35 drill pad location for proper disposal, Bright Sky Energy and Minerals, Inc. must provide to the Division of Minerals a copy of the bill of lading involved, or a related document, illustrating the transport of all back-flushed hydraulic fracturing fluids from the 1-35 drill pad to the final destination. Any other method of disposal of the back-flushed hydraulic fracturing fluids from the 1-35 well must be approved by the Division of Minerals and the Nevada Division of Environmental Protection.
9. All spills are to be reported to the Division of Minerals (775-721-1774) and the Nevada Division of Environmental Protection (In-state: 1-888-331-6337, Out of state: 1-775-687-9485).

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1014-0157
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Bureau of Land Management
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JUN 02 2016
Ely, NV

5. Lease Serial No.
NVN 66650

6. Indian, Notice or Tribe Name
NA

7. If Unit of CA/Agreement, Name and/or No.
NA

8. Well Name and No.
BSEM Federal #1-35

9. API Well No.
27-023-05617

10. Field and Pool or Exploratory Area
Wildcat

11. County or Parish, State
Nye County, Nevada

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Bright Sky Energy & Minerals Inc.

3a. Address
17601 S. Golden Road, Golden, CO 80401

3b. Phone No. (include area code)
303 990-7831

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
103' FSL & 753' FWL Sect 55 T8N R51E MDB&M

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input checked="" type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The Bright Sky Energy and Minerals proposes to move in a work over rig - drill rig; clean out cement plugs; re-perforate sands at 7600 feet (7588' to 7596' and 7610' to 7616'); hydraulically stimulate - fracture treat zone. The maximum amount of water required for the fracture treatment is estimated to be approximately 45,000 gallons of water that will be acquired from an existing temporary water well located on the drill site - pad and or from private sources. Test and evaluate zone. If commercially productive, complete zone as producing oil well. If nonproductive; plug 7588-7610' zone; perforate 7440' to 7550' and test. If commercially productive, complete zone as producing oil well. If nonproductive P&A well.

Attachments:

- 1) Proposed testing program
- 2) Halliburton proposed detailed procedure
- 3) Halliburton disclosure of proposed Hydraulic Fracturing Fluid Composition
- 4) BSEM 1-35 well bore Sketch

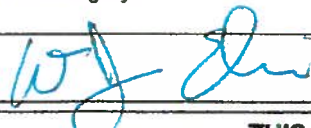
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FEB 07 2017


DIVISION OF MINERALS

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Wm. J. Ehni for T. G. Rozgonyi

Title W. J. Ehni / Consulting Geologist

Signature  Date 1 June 2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 

Title Field Manager Date 2/7/17

Office Bristle cone

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.