

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:

2237762

Date Received:

10/22/2012

PluggingBond SuretyID

20120073

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER LATERAL SIDETRACK  
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☒

3. Name of Operator: CHAMA OIL & MINERALS LLC

4. COGCC Operator Number: 10431

5. Address: PO BOX 50203

City: MIDLAND State: TX Zip: 79710

6. Contact Name: WILLIAM HEARD Phone: (432)683-8000 Fax: (432)683-8250

Email: BILL.HEARD@CHAMAOIL.COM

7. Well Name: WEIMER STATE 16-19-47 Well Number: 1H

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

9. Proposed Total Measured Depth: 9200

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 16 Twp: 19S Rng: 47W Meridian: 6

Latitude: 38.409690 Longitude: -102.677110

Footage at Surface: 600 feet FNL 660 feet FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4108 13. County: KIOWA

14. GPS Data:

Date of Measurement: 09/16/2012 PDOP Reading: 2.6 Instrument Operator's Name: R. GABRIEL

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  
916 FNL 660 FEL 600 FSL 660 FEL  
Sec: 16 Twp: 19S Rng: 47W Sec: 16 Twp: 19S Rng: 47W

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: 5000 ft

18. Distance to nearest property line: 600 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3 mi

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.)
SPERGEN	SPGN			
ST. LOUIS	STLS			

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 1895.12

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):

SECTION 16 (ALL), T-19-S, R-47-W

25. Distance to Nearest Mineral Lease Line: 600 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	9+5/8	36	0	500	250	500	0
1ST	8+3/4	7	26	0	5,500	400	5,500	3,400
S.C. 1.1							1,500	1,000
2ND	6+1/8	4+1/2	13.5	0	9,100	0		

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

33. Comments NO CONDUCTOR TO BE SET ON THIS WELL. THE WEIMER STATE 16-19-47 #1P AND #1H ARE BEING DRILLED AT THE SAME LOCATION. THE #1P WILL BE A PILOT HOLE TO APPROX. TD OF 6,200'. WELL WILL BE PLUGGED BACK AND #1H HORIZONTAL WILL BE DRILLED AS NOTED ON LOC PLAT.

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: WILLIAM HEARD

Title: DRILLING ENGINEER Date: 10/8/2012 Email: BILL.HEARD@CHAMAOIL.CO

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: 11/23/2012

#### API NUMBER

05 061 06881 01

Permit Number: \_\_\_\_\_ Expiration Date: 11/22/2014

#### 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 hr notice prior to spud via electronic Form 42.
- 2) Provide H2S drilling operations plan as required by Rule 607.b, prior to spud.
- 3) If production casing is set cement from TD to 200' above shallowest completed interval or 200' above Marmaton, whichever is shallower. Ensure cement coverage of Cheyenne & Dakota interval (1500' – 1000' minimum). Verify with CBL.
- 4) Plugback pilot hole with 40 sks cement at top of St. Louis and 40 sks cement across the Morrow top (kick off plug).
- 5) If well is a dry hole set the following plugs: 40 sks cement 50' above the St. Louis, 40 sks cement 50' above the Morrow, 40 sks cement 50' above the Marmaton, 40 sks cement across any DST w/ show, 40 sks cement at 1500', 40 sks cement at 1000', 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface csg, cut 4 feet below GL, weld on plate, 5 sks cement 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
2237762	FORM 2 SUBMITTED
2237763	WELL LOCATION PLAT
2237764	TOPO MAP
2237765	30 DAY NOTICE LETTER
2237766	DEVIATED 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	This permit is the lateral of a pilot/lateral drilling plan and this permit should have a sidetrack designation in the API number. Final review completed; no LGD or public comment received.	11/21/2012 12:04:21 PM
Engineer	Contacted operator regarding requirement for hydrogen sulfide drilling operations plan in accordance w/ Rule 607 if hydrogen sulfide gas in excess of one hundred (100) ppm can reasonably be expected to be encountered. Sent copy of Policy - Reporting Hydrogen Sulfide (H2S) COGCC Rule 607 (04/13/2012).  Operator responds same day that a DST was run on a well in section 15 (adjacent to this proposed well) which reported H2S. Chama will file an H2S operations plan according to Rule 607.b. Changed H2S anticipated to yes.	11/14/2012 1:25:21 PM
Permit	Contacted State Land Board. Operator in compliance with SLB	11/14/2012 10:37:49 AM
Permit	The well location falls within an area that potentially may have higher than average levels of H2S gas.	11/1/2012 6:36:55 AM
Permit	Section is spaced for Morrow only.	10/25/2012 8:10:07 AM
Permit	This form passed completeness. No directional drill data spreadsheet/template/import due to paper submission.	10/24/2012 12:11:29 PM
Data Entry	CHECK CASING STRING NAMES.	10/23/2012 3:37:59 PM

Total: 7 comment(s)

### **BMP**

<b><u>Type</u></b>	<b><u>Comment</u></b>
Drilling/Completion Operations	H2S operations plan

Total: 1 comment(s)