

FORM  
2  
Rev  
08/13

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:  
400525262

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

TYPE OF WELL    OIL     GAS     COALBED     OTHER \_\_\_\_\_  
ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Refiling   
Sidetrack

Date Received:  
12/16/2013

Well Name: Sharp      Well Number: 24-3-9HC  
Name of Operator: WARD PETROLEUM CORPORATION      COGCC Operator Number: 10359  
Address: PO BOX 1187  
City: ENID      State: OK      Zip: 73702  
Contact Name: Andrea Gross      Phone: (303)942-0506      Fax: ( )  
Email: agross@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100221

WELL LOCATION INFORMATION

QtrQtr: SWSW    Sec: 24    Twp: 1S    Rng: 67W    Meridian: 6  
Latitude: 39.944030      Longitude: -104.845940

Footage at Surface:      FNL/FSL      FEL/FWL  
250 feet    FSL      220 feet    FWL

Field Name: WATTENBERG      Field Number: 90750  
Ground Elevation: 5019      County: ADAMS

GPS Data:  
Date of Measurement: 10/15/2013    PDOP Reading: 1.2    Instrument Operator's Name: Rob Daley

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  
469    FSL    1713    FWL    460    FNL    1760    FWL  
Sec: 24    Twp: 1S    Rng: 67W    Sec: 24    Twp: 1S    Rng: 67W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership:     Fee     State     Federal     Indian

The Surface Owner is:     is the mineral owner beneath the location.  
(check all that apply)     is committed to an Oil and Gas Lease.  
    has signed the Oil and Gas Lease.  
    is the applicant.

The Mineral Owner beneath this Oil and Gas Location is:     Fee     State     Federal     Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well:    Yes

The right to construct the Oil and Gas Location is granted by:    Bond

Surface damage assurance if no agreement is in place:    Blanket      Surface Surety ID: 201000222

**LEASE INFORMATION**

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

T1S R67W Sec. 24: SW/4, except that part lying East of the Union Pacific Right-of-Way

Total Acres in Described Lease: 246 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # \_\_\_\_\_

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 571 Feet

Building Unit: 571 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 239 Feet

Above Ground Utility: 219 Feet

Railroad: 1800 Feet

Property Line: 220 Feet

**INSTRUCTIONS:**

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).

- Enter 5280 for distance greater than 1 mile.

- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.

- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

**DESIGNATED SETBACK LOCATION INFORMATION**

Check all that apply. This location is within a:  Buffer Zone  
 Exception Zone  
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit

- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.

- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: \_\_\_\_\_

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: 11/13/2013

**SPACING and UNIT INFORMATION**

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 5803 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 5280 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

**SPACING & FORMATIONS COMMENTS**

\_\_\_\_\_

**OBJECTIVE FORMATIONS**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CODELL	CODL	407-87		
FORT HAYS	FTHYS			
NIOBRARA	NBRR	407-87		
SUSSEX	SUSX			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 12651 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 3727 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H2S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H2S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type:  Annular Preventor  Double Ram  Rotating Head  None

### GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 318A

### DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

The cuttings will be disposed of offsite and land farmed

Beneficial reuse or land application plan submitted?                     

Reuse Facility ID:                      or Document Number:                     

### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	13+1/2	9+5/8	36	0	1200	586	1200	0
1ST	8+3/4	7	23	0	8294	843	8294	3000
1ST LINER	6+1/8	4+1/2	11.6	7400	12651			

Conductor Casing is NOT planned

### DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

### GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

### RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number

## OTHER LOCATION EXCEPTIONS

Check all that apply:

- Rule 318.c. Exception Location from Rule or Spacing Order Number \_\_\_\_\_
- Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

## OPERATOR COMMENTS AND SUBMITTAL

Comments

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: \_\_\_\_\_

Is this application being submitted with an Oil and Gas Location Assessment application? \_\_\_\_\_ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_ Print Name: Andrea Gross

Title: Permit Agent Date: 12/16/2013 Email: agross@upstreampm.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: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

API NUMBER

05

## Conditions Of Approval

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.

### COA Type

### Description

COA Type	Description

## Best Management Practices

No	BMP/COA Type	Description
1	Planning	Guy Line Anchors: Per the SUA, Ward will remove all guy line anchors for drilling and completions within 30 days upon termination of oil and gas operations by Ward.
2	Planning	Development from existing well pads: Development from existing well pads was not an option for this well. However, this well pad will be considered for future well locations.
3	Planning	Site Specific Measures: Ward will maintain a Stormwater Management Plan with site specific measurements to assess erosion control.
4	Planning	Multiwell Pads: In order to reduce surface disturbance, Ward is permitting this 2A for five (5) wells.
5	Traffic control	Traffic Plan: A traffic plan will be done if required by Adams County.
6	Traffic control	Access Roads: Ward will utilize Highway and County roads as well as the agreed upon access road to the surface location per the SUA. Any required county permits will be obtained prior to use.
7	General Housekeeping	Loadlines: All loadlines shall be bullplugged or capped.

8	General Housekeeping	Removal of Surface Trash: Per the SUA, Ward agrees that all trash, refuse pipe, equipment, liquids, chemicals of other materials that are not necessary for the continued operations of the wells will be removed and disposed of no later than 30 days after completion. No such items will be burned or buried on location.
9	General Housekeeping	Well Site Cleared: Per the SUA, Ward agrees that all trash, refuse pipe, equipment, liquids, chemicals of other materials that are not necessary for the continued operations of the wells will be removed and disposed of no later than 30 days after completion. No such items will be burned or buried on location.
10	Material Handling and Spill Prevention	Leak Detection Plan: To ensure protection for the surface during fracturing treatment, the location will be specifically constructed to contain any releases or spills. Secondary containment from any chemical spills or leaks will surround any trucks that carry, mix, or add chemicals to the flow stream as well as connections that could possibly leak fluid. Should any spill or release occur, every reasonable step will be taken to quickly remediate the area disturbed.
11	Material Handling and Spill Prevention	Control of Fire Hazards: Ward and its contractor's employ best management practices during the drilling and production of its wells and facilities. They will comply with appropriate COGCC and any county rules concerning fire and safety. Ward will ensure that any flammable material will remain no less than 25 feet from the wellhead(s), tanks and separator(s).
12	Construction	Berm Construction: A containment berm will be constructed around the oil and water storage tanks. The berm will be inspected regularly and maintained in good condition.
13	Construction	Fencing: Per the SUA, during drilling operations the well sites and any pits shall be fenced of required by the Owner.
14	Noise mitigation	Noise: No noise mitigation will required for this location.
15	Drilling/Completion Operations	Closed Loop System: Closed Loop System will be used for drilling and fluid management. No reserve pit will be used.
16	Drilling/Completion Operations	Green Completions: Ward will comply with COGCC Rule 805b.(3)A and utilize Green Completion Methods.
17	Drilling/Completion Operations	BOPE Testing: Upon initial rig-up and once every 30 days during drilling operations, pressure testing of the casing string and each component of the BOPE will be performed to 70% of working pressure or 70% of the internal yield of the casing, whichever is less.
18	Drilling/Completion Operations	BOPE for well servicing operations: Adequate blowout prevention equipment will be used on any servicing operations associated with this well. Backup staving valves shall be required on well servicing operations during reverse circulation. Valves will be pressure tested before each well servicing operation using both low-pressure and high-pressure fluid.
19	Drilling/Completion Operations	BOPE: Ward will utilize drilling rigs with a minumum of a double ram and annular preventer.
20	Drilling/Completion Operations	Tank specifications: Tanks shall be constructed and maintained in accordance with the National Fire Protection Association Code 30 (2008 version). All tanks will be visually inspected once a day for issues. Recorded inspections will be conducted once a month pursuant to 40 CFR §112.
21	Drilling/Completion Operations	Pit Level Indicators: Pit Level Indicators will not be needed as no pits will be used on location.
22	Final Reclamation	Identification of Plugged and Abandoned Wells: Pursuant to Rule 319.a.(5)., once the well has been plugged and abandoned, Ward will identify the location of the wellbore with a permanent monument that will detail the well name and date of plugging.

Total: 22 comment(s)

### **Attachment Check List**

<b>Att Doc Num</b>	<b>Name</b>
400525262	FORM 2 SUBMITTED
400527829	WELL LOCATION PLAT
400527831	MULTI-WELL PLAN
400527834	LEGAL/LEASE DESCRIPTION
400527836	DEVIATED DRILLING PLAN
400527838	DIRECTIONAL DATA
400527855	DIRECTIONAL DATA
400528307	30 DAY NOTICE LETTER

Total Attach: 8 Files

### General Comments

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Permit	Returned to draft for the following: 1. Missing attached letter certifying notification of building unit owners in buffer zone. 2. Water well sampling should be for Rule 318A in Drilling & Waste Plans tab.	12/17/2013 8:45:54 AM

Total: 1 comment(s)