

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:

400544531

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER UnplannedRefilling ☐

Date Received:

01/23/2014

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☒

Well Name: AFTON

Well Number: 12-16H-4

Name of Operator: MENDELL FINISTERRE II LLC

COGCC Operator Number: 10474

Address: 7979 IVANHOE AVENUE #300

City: SAN DIEGO

State: CA

Zip: 92037

Contact Name: CLAYTON DOKE

Phone: (720)420-5700

Fax: (720)420-5800

Email: cdoke@iptengineers.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20130072

WELL LOCATION INFORMATION

QtrQtr: SESE Sec: 12 Twp: 1S Rng: 68W Meridian: 6

Latitude: 39.973590

Longitude: -104.942050

Footage at Surface: 598 feet FNL/FSL FSL 495 feet FEL/FWL FEL

Field Name: SPINDLE

Field Number: 77900

Ground Elevation: 5153

County: ADAMS

GPS Data:

Date of Measurement: 07/01/2013 PDOP Reading: 1.9 Instrument Operator's Name: ADAM KELLY

If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL FSL 495 FEL 460 FNL 495 FEL
 Sec: 12 Twp: 1S Rng: 68W Sec: 12 Twp: 1S Rng: 68W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ IndianThe 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 ☐ IndianThe Minerals beneath this Oil and Gas Location will be developed by this Well: YesThe right to construct the Oil and Gas Location is granted by: Surface Use Agreement

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

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.)

TOWNSHIP 1 SOUTH, RANGE 68 WEST, SECTION 12; E/2 E/2

Total Acres in Described Lease: 160 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: 460 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 276 Feet

Building Unit: 276 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 480 Feet

Above Ground Utility: 191 Feet

Railroad: 1520 Feet

Property Line: 133 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:

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 293 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

E/2E/2 of Section 12, T1S, R68W

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		160	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 12600 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 253 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: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

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	1311	633	1311	0
1ST	8+3/4	7	29	0	8392	568	8391	
1ST LINER	6+1/8	4+1/2	13.5	7500	12600			

☒ 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	<p>This is an unplanned sidetrack. Pursuant to the COGCC guidance "UNPLANNED Sidetrack while Drilling: Drilling, Approval and Reporting Process STATEWIDE (Except for the San Juan Basin)" Required comments:</p> <p>a. It is necessary to sidetrack this well due to the inadvertent drilling of the wellpath within the 460' offset of the spacing unit as established on the permit</p> <p>b. Total measured depth reached in the wellbore section being abandoned: 8909'</p> <p>c. Casing Set: 9-5/8" 36# J-55 surface CSG set @ 1311' & 7" 29# P-110 set @ 8392'</p> <p>d. Fish in Hole: None- N/A</p> <p>e. Measured setting depth of proposed plugs, heights, and cements volumes: None – N/A.</p> <p>f. Type of cement to be used for all plugs, including slurry weight (ppg) and yield (cf/sk): None – N/A</p> <p>g. Measured depth of the proposed side track KOP: 8422'. This sidetrack is planned as an open hole sidetrack back to the 7" casing shoe, the junction for which shall be hydraulically isolated by the liner.</p> <p>h. Proposed Objection formation: Same as wellbore being abandoned- Codell.</p> <p>i. BHL target for sidetrack hole: Same as wellbore being abandoned, 460' FNL, 495' FEL Sec. 12 1S 68W.</p> <p>j. Diana Burn provided email approval on January 23, 2014.</p> <p>Wellbore diagram and approval email are attached.</p>
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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: CLAYTON DOKE

Title: SENIOR ENGINEER Date: 1/23/2014 Email: cdoke@iptengineers.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:  Director of COGCC Date: 1/26/2014

Expiration Date: 01/25/2016

API NUMBER

05 001 09778 01

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
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Best Management Practices

No	BMP/COA Type	Description
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Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.
Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400544531	FORM 2 SUBMITTED
400544629	CORRESPONDENCE
400544705	WELLBORE DIAGRAM

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
LGD	No additional comment.	1/24/2014 8:32:53 AM
Permit	Added correct groundwater sampling rule. Final Review--passed.	1/24/2014 7:25:35 AM
Permit	Waived public and LGD comment periods. Checked exception zone box. Exception location request letters for exception zone, property line in well file as well as waivers. Original permit submitted prior to 8/1/2013. Offset well evaluation spreadsheet in well file. Operator drilled well to plan until the lateral section which is being sidetracked. BHL remains the same as original permit.	1/23/2014 3:16:33 PM
Permit	This form has passed completeness.	1/23/2014 3:13:44 PM

Total: 4 comment(s)