

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:

400555790

APPLICATION FOR PERMIT TO:

☐ Drill ☐ Deepen ☐ Re-enter ☒ **Recomplete and Operate**

Date Received:

02/14/2014

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: HC Fed

Well Number: 31-13-45-14

Name of Operator: CCI PARADOX UPSTREAM LLC

COGCC Operator Number: 10453

Address: 600 17TH STREET #1900S

City: DENVER State: CO Zip: 80202

Contact Name: Christopher Noonan

Phone: (303)563-5377

Fax: ()

Email: christopher.noonan@cci.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: _____

WELL LOCATION INFORMATION

QtrQtr: SESW Sec: 30 Twp: 45N Rng: 14W Meridian: N

Latitude: 38.119869

Longitude: -108.456245

Footage at Surface: 1142 feet FNL/FSL FSL 2051 feet FEL/FWL FWL

Field Name: HAMILTON CREEK

Field Number: 33540

Ground Elevation: 6691

County: SAN MIGUEL

GPS Data:

Date of Measurement: 12/19/2005 PDOP Reading: 6.0 Instrument Operator's Name: Louis Pence

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		
710	FNL	1984	FEL	710	FNL	1984	FEL
Sec: 31	Twp: 45N	Rng: 14W	Sec: 31	Twp: 45N	Rng: 14W		

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: oil and gas lease

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.)

Total Acres in Described Lease: _____ Described Mineral Lease is: ☐ Fee ☐ State ☒ Federal ☐ Indian
Federal or State Lease # COC24356
Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: _____ Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 5280 Feet
Above Ground Utility: 1000 Feet
Railroad: 5280 Feet
Property Line: 5280 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: 1400 Feet
Distance from Completed Portion of Wellbore to Nearest Unit Boundary 660 Feet (Enter 5280 for distance greater than 1 mile.)
Federal or State Unit Name (if appl): Hamilton Creek Unit Number: 047632X

SPACING & FORMATIONS COMMENTS

Existing wellbore

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CUTLER	CTLR			

DRILLING PROGRAM

Proposed Total Measured Depth: 9584 Feet
Distance to nearest permitted or existing wellbore penetrating objective formation: 1400 Feet (Including plugged wells)
Will a closed-loop drilling system be used? _____
Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? _____ (If Yes, attach an H₂S Drilling Operations Plan)
Will salt sections be encountered during drilling? _____

Will salt based (>15,000 ppm Cl) drilling fluids be used? _____

Will oil based drilling fluids be used? _____

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 _____ N/A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: _____ Drilling Fluids Disposal Methods: _____

Cuttings Disposal: _____ Cuttings Disposal Method: _____

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
CONDUCTOR	20	16	5	0	60	50	60	0
SURF	12+1/4	9+5/8	36	0	2049	630	2049	0
1ST	8+3/4	5+1/2	17	0	9584	1800	9584	0

☐ 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>Operator proposes to plug off the Hermosa group below a CIBP and move uphole producing only from the Cutler PA. Operations are as follows:</p> <p>Stage 1: Set CIBP @ 7030' Bail 2 sacks cement on top of CIBP Perforate @ 3 SPF at 120 degree phasing. • 6865 – 6882' 17' 51 holes • 6830 – 6836' 6' 18 holes Recommend to frac at 40 BPM w/ 70 Quality N2 foam & 69,000# 20/40 proppant.</p> <p>Stage 2: Set Halliburton frac plug at 6770' Perforate @ 4 SPF at 90 degree phasing. • 6670 – 6682' 12' 48 holes Recommend to frac at 30 BPM w/ 70 Quality N2 foam & 38,400# 20/40 proppant.</p> <p>Stage 3: Set Halliburton frac plug at 6040' Perforate @ 3 SPF at 120 degree phasing. • 5929 – 5947' 18' 54 holes Recommend to frac at 35 BPM w/ 70 Quality N2 foam & 60,000# 20/40 proppant.</p> <p>Stage 4: Set Halliburton frac plug at 5900' Perforate @ 3 SPF at 120 degree phasing. • 5857 – 5869' 12' 36 holes • 5845 – 5854' 9' 27 holes Recommend to frac at 40 BPM w/ 70 Quality N2 foam & 63,000# 20/40 proppant.</p> <p>Stage 5: Set Halliburton frac plug at 5690' Perforate @ 3 SPF at 120 degree phasing. • 5592 – 5618' 26' 78 holes Rec to frac at 40 BPM w/ 70 Quality N2 foam w/ 70,000# 20/40 proppant.</p>
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This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 316871

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: Christopher Noonan

Title: _____ Date: 2/14/2014 Email: christopher.noonan@cci.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: 3/23/2014

Expiration Date: 03/22/2016

API NUMBER

05 113 06224 00

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

	Operator shall send in a form 5A for the Hermosa with bridge plug data, wireline tickets and cements tickets.
	None-BLM surf and mineral ownership

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.

Attachment Check List

Att Doc Num

Name

400555790	FORM 2 SUBMITTED
400555817	WELLBORE DIAGRAM

Total Attach: 2 Files

General Comments

User Group

Comment

Comment Date

Permit	Final review completed; no LGD or public comment received.	3/20/2014 9:50:12 AM
Permit	Operator revised cultural distances.	3/20/2014 9:48:13 AM
Permit	Where is the building, public road, property line, nearest unit boundary all of which are 2640 feet from the well?	2/26/2014 7:00:29 AM
Permit	Passed completeness.	2/19/2014 3:46:59 PM
Permit	Returned to draft: Missing Field Name and Field Number in Well Location tab. Please select DIRECTIONAL for well type in Well Location tab. Cultural Setbacks tab is incomplete. Please read instructions in tab. Spacing and Unit Information in Spacing & Formations tab incomplete.	2/18/2014 9:54:06 AM

Total: 5 comment(s)