

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:

400572401

#### APPLICATION FOR PERMIT TO:

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

Date Received:

03/16/2014

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER \_\_\_\_\_

Refiling ☒

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: Collard

Well Number: 24-2-M

Name of Operator: FRAM OPERATING LLC

COGCC Operator Number: 10310

Address: 6 SOUTH TEJON STREET #400

City: COLORADO  
SPRINGS

State: CO

Zip: 80903

Contact Name: Dave Cook

Phone: (719)355-1320

Fax: (719)314-1362

Email: dave@framamericas.com

#### RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20110193

#### WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 24 Twp: 12S Rng: 98W Meridian: 6

Latitude: 38.987630

Longitude: -108.302080

Footage at Surface: 667 feet FNL/FSL FSL 693 feet FEL/FWL FWL

Field Name: WHITEWATER

Field Number: 92840

Ground Elevation: 5970

County: MESA

GPS Data:

Date of Measurement: 04/04/2011 PDOP Reading: 1.3 Instrument Operator's Name: Dee Slaugh

If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FSL 777 FSL 347 FWL 1775 FSL 820 FWL  
Sec: 24 Twp: 12S Rng: 98W Sec: 23 Twp: 12S Rng: 98W

#### 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.)

Sec. 23: Lots 1-3 T12S, R98W, 6th PM

Total Acres in Described Lease: 135 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: 681 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: 4225 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 681 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: 1500 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary \_\_\_\_\_ 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.)
DAKOTA	DKTA			

## DRILLING PROGRAM

Proposed Total Measured Depth: 4845 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 5280 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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 609

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Other

Other Disposal Description:

Land Spreading

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	16	14	24	0	100	100	100	0
SURF	11	9+5/8	24	0	640	300	640	0
1ST	7	5	14	0	4845	500	4845	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>To be drilled from the Broken Spoke Ranch#1 pad.</p> <p>This well will be acidized and not hydraulically fractured.</p> <p>The pad is built, pits constructed, this refile will not require an expansion/additional surface disturbance. The location does not require a variance of the rules listed in 306.d(1).(A).(ii) and the location is not in a wildlife restricted occupancy area. There are no changes from previous APD.</p>
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This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 391035

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.

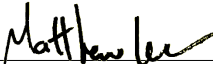
Signed: \_\_\_\_\_ Print Name: Dave Cook

Title: Manager Date: 3/16/2014 Email: dave@framamericas.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).

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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: 6/7/2014

Expiration Date: 06/06/2016

**API NUMBER**

05 077 10177 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.**

<u>COA Type</u>	<u>Description</u>
	(2) Cmt Btm for the surface casing cannot be above the surface casing shoe; changed Cmt Btm from 470' to 640' to match the Setting Depth. Increase cement volume as necessary to provide a full column of cement for the surface casing.
	The pad has been built, the approved form 2A will expire on 9/20/2014. An amended form 2A must submitted and approved prior to spudding any well, on this pad, after 9/20/2014.
	Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.
	1)COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED. SEE ATTACHED NOTICE.

### Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>

### **Applicable Policies and Notices to Operators**

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

### **Attachment Check List**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
400572401	FORM 2 SUBMITTED
400572402	WELL LOCATION PLAT
400572403	DEVIATED DRILLING PLAN
400572404	DIRECTIONAL DATA

Total Attach: 4 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Final Review	Distance to Public Road was reported as 5280', but Lands End Road is 4225' to the SE (as shown on the Form 2A). Changed value to 4225'.	3/7/2014 4:32:13 PM
Permit	Final review completed on this refile. No LGD comments.	5/28/2014 6:33:28 AM
Engineer	Offset well evaluation: operator comments in submit tab states the well will be acidized and not hydraulically fractured.  THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 16 FEET DEEP. A DRAINAGE AT AN ELEVATION OF ABOUT 5380' (590' LOWER THAN THE SURFACE LOCATION) IS LOCATED WITHIN A MILE.	5/5/2014 8:35:16 AM
Permit	Passed completeness	5/2/2014 2:33:51 PM
Permit	Return to draft: 1. Total MD does not match MD in casing, directional data, and deviated drilling plan. 2. Missing refile statements in comments	5/2/2014 11:49:54 AM
Permit	This form has passed completeness.	3/19/2014 12:05:55 PM
Permit	Returned to draft: 1) SO is mineral owner?	3/17/2014 12:21:25 PM

Total: 7 comment(s)