

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:

400642119

Date Received:

07/11/2014

APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: Dietzler

Well Number: 2-10-9-60

Name of Operator: CARRIZO NIOBRARA LLC

COGCC Operator Number: 10439

Address: 500 DALLAS STREET #2300

City: HOUSTON

State: TX

Zip: 77002

Contact Name: Cynthia Pinel

Phone: (713)358-6210

Fax: ()

Email: cynthia.pinel@crzo.net

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120105

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 10 Twp: 9N Rng: 60W Meridian: 6

Latitude: 40.757980

Longitude: -104.087250

Footage at Surface: 258 feet FNL/FSL FSL 262 feet FEL/FWL FWL

Field Name: WILDCAT

Field Number: 99999

Ground Elevation: 5087

County: WELD

GPS Data:

Date of Measurement: 06/24/2014 PDOP Reading: 1.3 Instrument Operator's Name: Gary Algien

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

Footage at Top of Prod Zone: FNL/FSL FSL 600 FSL 1267 FWL 600 FNL 1267 FWL
Sec: 10 Twp: 9N Rng: 60W Sec: 10 Twp: 9N Rng: 60W

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: 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 9 North, Range 60 West of the 6th P.M., Section 10: E/2, E/2W/2, W/2SW/4

Total Acres in Described Lease: 560 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: 4955 Feet

Building Unit: 4955 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 253 Feet

Above Ground Utility: 294 Feet

Railroad: 5280 Feet

Property Line: 262 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: 600 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 600 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

Wellbore to be located no closer than 600 feet from the unit boundaries and no closer than 600 feet from the treated interval of any other wellbore located in the unit.

OBJECTIVE FORMATIONS

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| NIOBRARA | NBRR | 535-239 | 640 | Section 10: All |

DRILLING PROGRAM

Proposed Total Measured Depth: 10993 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 600 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 609

DRILLING WASTE MANAGEMENT PROGRAM

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

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

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 | 18 | 16 | 65 | 0 | 60 | 8 | 60 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1400 | 546 | 1400 | 0 |
| 1ST | 8+3/4 | 7 | 23 | 0 | 6677 | 605 | 6677 | |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 5946 | 10993 | | | |

☐ 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 is an addition of a second well on the existing pad.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 423699

Is this application being submitted with an Oil and Gas Location Assessment application? Yes

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

Signed: _____ Print Name: Cynthia Pinel

Title: Regulatory Comp. Analyst Date: 7/11/2014 Email: cynthia.pinel@crzo.net

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: 8/31/2014

Expiration Date: 08/30/2016

API NUMBER

05 123 40099 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

| | |
|--|--|
| | 1) Provide 48 hour notice prior to spud via electronic Form 42. 2) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well. |
| | 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. |

Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u> | <u>Description</u> |
|-----------|--|--|
| 1 | Planning | A Form 15 Pit Report will be submitted within 30 days of construction of the fresh water storage pit. May use the existing State 16-11-9-60H freshwater pit. |
| 2 | Storm Water/Erosion Control | Operator has designed the well pad with insloping and a storm water control ditch to prevent sotrm water run-on/runoff and the release of fluids from the location. See attached Construction Layout Drawing. |
| 3 | Material Handling and Spill Prevention | Operator will ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and compeltion. Operator will implement best management practices to contain any unintentional release of fluids. Operator shall not allow any fluids to flow back to the Freshwater Storage pit. |
| 4 | Construction | The lcoation will be fenced and the fenced area will include the Freshwater Storage Pit. |
| 5 | Drilling/Completion Operations | Fresh water for the Fresh Water Storage Pit comes from water provider; water sources permitted for consumable industrial use. Fresh Water Storage Pit shall contain fresh water only and signage prohibiting the use of the pit for any fluid that does not come from municipal, irrigation or surface water source. Operator will implement interim reclamation measures immediately after construction of the location to stabilize cut and fill slopes, stabilize the topsoil and spoil stockpiles, establish desirable vegetation and control weeds on the location. |

Total: 5 comment(s)

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|------------------------|
| 2157785 | SURFACE AGRMT/SURETY |
| 400642119 | FORM 2 SUBMITTED |
| 400642771 | WELL LOCATION PLAT |
| 400642772 | DEVIATED DRILLING PLAN |
| 400642773 | CONST. LAYOUT DRAWINGS |
| 400642778 | DIRECTIONAL DATA |

Total Attach: 6 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|-------------------------|
| Permit | Oper. submitted SUA. Surface owner has changed since original 2A, but SUA negotiated with Dietzler still binding. No LGD or public comments. Final Review--passed. | 8/26/2014 7:23:48 AM |
| Permit | Req'd SUA. | 8/5/2014 12:04:46 PM |
| Engineer | Evaluated any existing wells within 1500' of proposed directional. | 7/29/2014 1:46:55 PM |
| Permit | Passed completeness. Right to construct corrected to SUA. | 7/15/2014 8:52:38 AM |
| Permit | Return to draft. Selected that right to construct is by an oil and gas lease, however it is not marked that the surface owner is the mineral owner nor that the surface owner is committed to an oil and gas lease. | 7/11/2014 1:41:47 PM |

Total: 5 comment(s)