

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:

400681291

Date Received:

09/15/2014

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: GAEDE

Well Number: A9S-55W-05-85

Name of Operator: CASCADE PETROLEUM LLC

COGCC Operator Number: 10414

Address: 1331 17TH STREET #400

City: DENVER State: CO Zip: 80202

Contact Name: ASHLEY SOMMER

Phone: (303)407-6500

Fax: (303)407-6501

Email: asommer@cascadepetroleum.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120044

WELL LOCATION INFORMATION

QtrQtr: SESW Sec: 5 Twp: 9S Rng: 55W Meridian: 6

Latitude: 39.288130

Longitude: -103.578450

Footage at Surface: 197 feet FNL/FSL FSL 1773 feet FEL/FWL FWL

Field Name: WILDCAT

Field Number: 99999

Ground Elevation: 5591

County: LINCOLN

GPS Data:

Date of Measurement: 09/07/2014 PDOP Reading: 1.8 Instrument Operator's Name: ROBERT RUBINO

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

Footage at Top of Prod Zone: FNL/FSL 260 FSL 1465 FWL 260 FSL 1465 FWL
Sec: 5 Twp: 9S Rng: 55W Sec: 5 Twp: 9S Rng: 55W

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.)

T9S R55W SEC 5 ALL

Total Acres in Described Lease: 640 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: 260 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1800 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 1238 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 1773 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: 1280 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.)
CRETACEOUS	CRTC			
MISSISSIPPIAN	MSSP			
PENNSYLVANIAN	PENN			
PERMIAN	PRMN			

DRILLING PROGRAM

Proposed Total Measured Depth: 8739 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1280 Feet (Including plugged wells)

Will a closed-loop drilling system be used? No

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: ONSITE Drilling Fluids Disposal Methods: Evaporation

Cuttings Disposal: ONSITE Cuttings Disposal Method: Drilling pit

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	12+1/4	9+5/8	36	0	500	174	500	0
1ST	7+7/8	5+1/2	17	0	8739	910	8739	3000

☒ 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? _____ Yes

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

Signed: _____ Print Name: ASHLEY SOMMER

Title: LANDMAN Date: 9/15/2014 Email: ASOMMER@CASCADEPETR

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: 10/16/2014

Expiration Date: 10/15/2016

API NUMBER

05 073 06669 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

	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) Provide 48 hour notice prior to spud via electronic Form 42. 2) If production casing is set provide cement coverage to at least 200' above shallowest completed interval and across Cheyenne/Dakota interval: (estimate 5200'-4600'). Run and submit CBL. 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the Marmaton, 40 sks cement +/- 50' above any DST w/ show, 40 sks cement 100' below base of Cheyenne (5200' up), 40 sks cement 50' above top of Dakota (4600' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Best Management Practices

No BMP/COA Type

Description

1	Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
2	General Housekeeping	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of litter and debris. Implement dust control, as needed. There will be no release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used cross through fences on the leased premises.
3	Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation.
4	Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.
5	Drilling/Completion Operations	Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well.
6	Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations.
7	Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).

Total: 7 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>
400681291	FORM 2 SUBMITTED
400681344	TOPO MAP
400681345	30 DAY NOTICE LETTER
400681347	EXCEPTION LOC WAIVERS
400681348	EXCEPTION LOC WAIVERS
400682128	WELL LOCATION PLAT
400687615	DEVIATED DRILLING PLAN
400687617	OTHER
400688729	SURFACE AGRMT/SURETY
400688778	DIRECTIONAL DATA
400688785	FORM 2 SUBMITTED

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no public comment received.	10/15/2014 10:20:48 AM
Permit	Revised distance to building to account for wind nearby turbine. Approved by operator.	10/15/2014 9:10:02 AM
Permit	Operator moved the bottom hole of the planned Gaede 9s-55w-9-12 so well is more than 1200' (318.a) from the closest permitted or producing well.	10/15/2014 9:05:31 AM
Permit	Operator has submitted a declaration of pooling to address the 260' setback between leases.	9/16/2014 2:08:10 PM
Permit	The offsetting mineral interest has waived the 600' (260')setback requirement of 318.a.	9/16/2014 2:04:06 PM
LGD	County Permit #14115	9/16/2014 11:06:29 AM
Permit	Passed Completeness	9/16/2014 10:39:41 AM
Permit	Returned to Draft: SUA owner compensation amounts need to be redacted. Directional data missing and needs to be imported. Top of producing zone needs to be entered.	9/16/2014 9:30:22 AM

Total: 8 comment(s)