

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:

400627330

## APPLICATION FOR PERMIT TO:

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

Date Received:

10/07/2014

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER \_\_\_\_\_Refilling ☒ZONE TYPE SINGLE ZONE ☐ MULTIPLE ZONES ☒ COMMINGLE ZONES ☒Sidetrack ☐

Well Name: MEMORIAL

Well Number: 11-3

Name of Operator: SOVEREIGN OPERATING COMPANY LLC

COGCC Operator Number: 10383

Address: 475 17TH STREET #1200

City: DENVER State: CO Zip: 80202

Contact Name: STEPHANIE CLASEN

Phone: (303)297-0347

Fax: ( )

Email: SCLASEN@BSEGLLC.COM

## RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20110169

## WELL LOCATION INFORMATION

QtrQtr: SENE Sec: 4 Twp: 1S Rng: 68W Meridian: 6

Latitude: 39.995580

Longitude: -104.999280

Footage at Surface: 1720 feet FNL/FSL FNL 569 feet FEL/FWL FEL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 5208

County: BROOMFIELD

GPS Data:

Date of Measurement: 03/21/2012 PDOP Reading: 1.2 Instrument Operator's Name: MARC WOODARD

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

 545 FNL 668 FWL 545 FNL 668 FWL  
 Sec: 3 Twp: 1S Rng: 68W Sec: 3 Twp: 1S Rng: 68W

## LOCATION SURFACE &amp; MINERALS &amp; 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 ☐ 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.)

SECTION 3, T1S, R68W: NW & NE, PARTIAL, AS DESCRIBED IN TWO SPECIAL WARRANTY DEEDS RECORDED AT REC. #796809 & 796794 & QUIT CLAIM DEEDS RECORDED AT REC. #796810 & 796795; A 30.0 FOOT STRIP OF LAND ALONG THE WEST SIDE OF THE SW, AS DESCRIBED IN WARRANTY DEEDS IN BOOK 2853 AT PAGE 951 & IN BOOK 2975 AT PAGE 588.

Total Acres in Described Lease: 224 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: 545 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2592 Feet  
Building Unit: 2592 Feet  
High Occupancy Building Unit: 2592 Feet  
Designated Outside Activity Area: 4965 Feet  
Public Road: 569 Feet  
Above Ground Utility: 1706 Feet  
Railroad: 5280 Feet  
Property Line: 545 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: 1187 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 545 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.)
J SAND	JSND	467-8	160	NW/4
NIOBRARA-CODELL	NB-CD	467-8	160	NW/4

## DRILLING PROGRAM

Proposed Total Measured Depth: 8892 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1187 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 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? No

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	8+5/8	24	0	1100	550	1100	0
1ST	7+7/8	4+1/2	11.6	0	8892	525	8892	7625

☒ 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 Attachments were previously submitted with the original APD. No changes have been made to the drilling plans that would affect the attachments.  
A notice of our intent to refile this permit has been sent to the landowner.  
There have been no changes to the location.  
I certify that there have been no changes on land use or lease description.  
The well will be drilled from an existing pad.  
There will be no additional surface disturbance.  
No pit will be used.  
The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).  
The location is not within a wildlife Restricted Surface Occupancy Area.  
The Sundry Notices will have the enforceable Best Management Practices that were agreed to with the City and County of Broomfield for the COGCC's Form 4 Sundry Notice.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 321527

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: STEPHANIE CLASEN

Title: C & R MANAGER Date: 10/7/2014 Email: SCLASEN@BSEGLLC.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: 11/21/2014

Expiration Date: 11/20/2016

### API NUMBER

05 014 20740 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 use enclosed combustion during all stages of drilling and operations.
	1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU. 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Comply with Rule 321. 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.
	Per operator Water Sampling is 609 per Broomfield BMP. ok to pass.

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	Sovereign Operating Company will submit a Form 4 Sundry Notice for each related Oil and Gas Location. The Sundry Notices will have the enforceable Best Management Practices that were agreed to with the City and County of Broomfield for the COGCC's Form 4 Sundry Notice. The Sundry Notices will be submitted for COGCC Director's approval prior to any construction or drilling activity on the Location.

Total: 1 comment(s)

## 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>
400627330	FORM 2 SUBMITTED

Total Attach: 1 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	11/17/2014 9:23:31 AM
Permit	Passed Completeness	10/8/2014 11:29:57 AM

Total: 2 comment(s)