

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:

400606466

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 ☐

Date Received:

06/18/2014

Well Name: Carpenter 32-6-3

Well Number: 1S

Name of Operator: CATAMOUNT ENERGY PARTNERS LLC

COGCC Operator Number: 10464

Address: 1801 BROADWAY #1000

City: DENVER

State: CO

Zip: 80202

Contact Name: Nolan Redmond

Phone: (720)484-2344

Fax: (720)484-2363

Email: gotnredmond@catamountep.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20130096

WELL LOCATION INFORMATION

QtrQtr: NWSE Sec: 3 Twp: 32N Rng: 6W Meridian: N

Latitude: 37.045730

Longitude: -107.484670

Footage at Surface: 2386 feet FNL/FSL FSL 1763 feet FEL/FWL FEL

Field Name: IGNACIO BLANCO

Field Number: 38300

Ground Elevation: 6372

County: LA PLATA

GPS Data:

Date of Measurement: 04/16/2014 PDOP Reading: 2.2 Instrument Operator's Name: Scott Weibe

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

Footage at Top of Prod Zone: FNL/FSL FSL 818 FEL FEL 2620 FSL 660 FEL
2565
Sec: 3 Twp: 32N Rng: 6W Sec: 3 Twp: 32N Rng: 6W

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.)

SE/4 Sec.3 T32N R6W

Total Acres in Described Lease: 160 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: 23 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1518 Feet

Building Unit: 1518 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 1735 Feet

Above Ground Utility: 1772 Feet

Railroad: 5280 Feet

Property Line: 254 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: 2012 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): _____ 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.)
FRUITLAND COAL	FRLDC	112-190	320	E/2

DRILLING PROGRAM

Proposed Total Measured Depth: 3412 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 2012 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 608

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	392	250	392	0
1ST	7+7/8	5+1/2	17	0	3412	480	3412	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

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: Nolan Redmond

Title: Geo/Eng Tech Date: 6/18/2014 Email: nredmond@catamountep.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: 8/29/2014

Expiration Date: 08/28/2016

API NUMBER

05 067 09918 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.
	<ol style="list-style-type: none">1) Provide 48 hour notice of spud to COGCC via form 422) Set at least 392' of surface casing per Rule 317 (f) cement to surface3) Provide cement coverage of production casing from TD to surface. Verify cement coverage with Cement Bond Log.4) Run and submit Directional Survey from TD to kick-off point5) The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the well bore complies with setback requirements in Commission orders and/or rules prior to producing the well.6) Sample and test two closest water wells within 1/4 mile swath of the directional wellbore.7) Operators are required to obtain a bottom hole pressure utilizing a bottom hole gauge after a minimum 48 hour shut-in period following completion and prior to sales8) Comply with all applicable provisions of Order 112-1909) Borehole problems encountered while drilling that require an unplanned sidetrack: Contact, discuss & receive prior approval from COGCC Regional Engineer – Mark Weems 970-259-4587 off 970-749-0624 cell mark.weems@state.co.us

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

<u>Att Doc Num</u>	<u>Name</u>
1857451	SELECTED ITEMS REPORT
400606466	APD APPROVED
400608271	OTHER
400608291	DIRECTIONAL DATA
400608300	DEVIATED DRILLING PLAN
400610687	WELL LOCATION PLAT
400631078	LOCATION DRAWING
400631206	SURFACE AGRMT/SURETY
400676855	FORM 2 SUBMITTED

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	8/29/2014 1:57:54 PM
Engineer	<p>A one (1) mile radius of investigation of all offsetting and surrounding fresh water wells in relation to the proposed gas well, determined that the deepest surface casing required to protect the aquifers is a depth of 392' (includes a 50' margin of additional protection). The operator has proposed a depth of 350' which is 42' less than the minimal requirement. The setting depth for the surface casing on the permit has been revised to a depth of 392'. The surface casing on the proposed well will be cemented to surface. The production casing on the proposed gas well will also be cemented to surf. This will serve two purposes (1) it will isolate and confine all hydrocarbon and brackish waters to their respective zones and (2) it will provide double protection for the fresh water aquifers which includes two concentric (2) steel casing strings and two concentric external (2) cement sheaths extending from total depth to surface.</p> <p>A plat map was prepared for the location of the proposed gas which includes a 1500' envelope of investigation that is drawn around the trajectory of the proposed directional well bore. A survey of the adjacent gas wells falling within the boundaries of the 1500' envelope was conducted. There are no other gas wells within 1500' of the directional well path. The well platted on the map is a previously permitted well that has never been drilled; the permit has expired and is now depicted as an abandoned location.</p> <p>This review is documented in the APD attachments and is entitled SELECTED ITEMS REPORT.</p>	7/11/2014 12:14:00 PM
Permit	Passed completeness. SUA attachment opens without errors.	6/23/2014 9:18:43 AM
Permit	Return to draft. SUA attached but opening with errors.	6/19/2014 11:26:57 AM
Permit	Return to draft. Right to construct selected as SUA, but missing SUA attachment.	6/18/2014 4:04:38 PM

Total: 5 comment(s)