

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:

400776358

APPLICATION FOR PERMIT TO:

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

Date Received:

01/21/2015

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER UNPLANNEDRefilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☒

Well Name: Thornton Well Number: 9

Name of Operator: EXTRACTION OIL & GAS LLC COGCC Operator Number: 10459

Address: 1888 SHERMAN ST #200

City: DENVER State: CO Zip: 80203

Contact Name: Kaleb Roush Phone: (720)557-8322 Fax: ()

Email: kroush@extractionog.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20130028

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 8 Twp: 7N Rng: 66W Meridian: 6

Latitude: 40.585564

Longitude: -104.810371

Footage at Surface: 1241 feet FNL/FSL FSL 331 feet FEL/FWL FWL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 5036 County: WELD

GPS Data:

Date of Measurement: 05/02/2014 PDOP Reading: 1.8 Instrument Operator's Name: Alan Hnizdo

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

850 FSL 460 FWL 660 FSL 460 FEL

Sec: 8 Twp: 7N Rng: 66W Sec: 9 Twp: 7N Rng: 66W

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: No

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.)

T7N. R66W SEction 8: Part of the SW and W2SE, more particularly described in the lease map attached to the original APD (document number 400639416).

Total Acres in Described Lease: 163 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: 992 Feet

Building Unit: 992 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 325 Feet

Above Ground Utility: 225 Feet

Railroad: 5280 Feet

Property Line: 214 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: 06/04/2014

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 660 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

Distance from completion portion of wellbore to nearest wellbore permitted or completed in the same formation is Thornton 12.

Codell: Proposed Spacing Unit is described as the S2 of Sections 8 and 9.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CODELL	CODL		640	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 17568 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 660 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 318A

DRILLING WASTE MANAGEMENT PROGRAM

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

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

Cuttings will be disposed of by land spreading.

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
CONDUCTOR	26	16+1/4	42	0	80	100	80	0
SURF	13+1/2	9+5/8	36	0	819	350	819	0
1ST	8+3/4	7+0/0	26	0	8000	925	8000	0
1ST LINER	6+1/8	4+1/2	13.5	7900	17568			

☐ 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>The Operator proposes to drill a well in Section 8, Township 7 North, Range 66 West, in Weld County, Colorado, as follows:</p> <p>SHL: 1241' FSL 331' FWL - falls outside a legal GWA Drilling Window Top of PProduction: 850' FSL 460' FWL BHL: 660' FSL 460' FWL</p> <p>Operator intends to drill the well to the Niobrara formation at 17,568' MD and 7,520' TVD.</p> <p>Please see the original APD (document number 400639416) for other attached documents and letters to the Director of the COGCC regarding Rule 318A.m, 318A.a, and 318A.e.</p> <p>This Form 2 is being submitted because an unplanned sidetrack is required. NOTE: the BHL location will remain the same so a revised Well Location Plat and revised Deviated Drilling Plan are NOT required according the State Wide UNPLANNED Sidetrack Approval Reporting document published 11-6-2013.</p> <p>Explanation of need to sidetrack: "We are having an issue on the Thornton 9 (API# - 05-123-40271-00). We are having issues getting build rates, pulled out of the hole 2 different times and put more aggressive motors in the hole until the point of no return. Finally we are needing 44 degrees per 100' to land on target. This bit is basically in the production zone but we are at 45 degrees. This was due to a combination of a localized fault that upshifted 60' and our motor yields being poor.</p> <p>Total MD drilled to: 7710' Surface casing – 9 5/8" 36# set at 819'. No fish in hole The plan is to pump two 400' plugs (182 sacks each) with Halliburton Cement-17.5# Proposed sidetrack point – 6900' Objective formation of sidetrack/curve: Codell (same as original APD) Proposed BHL: 660 FSL 460 FEL Sec 9, T7N, R66W (Same as original APD)."</p> <p>We received verbal and email approval from Diana Burn to plug back and sidetrack the well on 1/20/2015.</p>
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This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: _____

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: Kaleb Roush

Title: Drilling Technician Date: 1/21/2015 Email: kroush@extractionog.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: _____

Matthew Lee

Director of COGCC

Date: 1/22/2015

Expiration Date: 01/21/2017

API NUMBER

05 123 40271 01

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

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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

Att Doc Num

Name

400776358	FORM 2 SUBMITTED
400776418	CORRESPONDENCE
400776817	WELLBORE DIAGRAM

Total Attach: 3 Files

General Comments

User Group

Comment

Comment Date

Final Review	Cuttings management addressed on Form 2A for related Oil and Gas Location ID 439027. COGCC will verify compliance with Form 2A COAs.	1/22/2015 9:51:53 AM
Permit	Final review complete.	1/21/2015 3:02:46 PM
Permit	Operator corrected right to construct to SUA.	1/21/2015 3:01:00 PM
Permit	Passed completeness.	1/21/2015 10:37:58 AM
Permit	Returned to DRAFT, wellbore diagram PDF is corrupt.	1/21/2015 10:00:46 AM

Total: 5 comment(s)