

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:

400659490

**(SUBMITTED)**

Date Received:

## 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: Schaefer

Well Number: 25-1-2HC

Name of Operator: WARD PETROLEUM CORPORATION

COGCC Operator Number: 10359

Address: PO BOX 1187

City: ENID

State: OK

Zip: 73702

Contact Name: Andrea Gross

Phone: (303)942-0506

Fax: ( )

Email: agross@upstreampm.com

## RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 2010021

## WELL LOCATION INFORMATION

QtrQtr: SWSE Sec: 24 Twp: 1S Rng: 67W Meridian: 6

Latitude: 39.944510

Longitude: -104.834680

Footage at Surface: 434 feet FNL/FSL FSL 1920 feet FEL/FWL FEL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 5022

County: ADAMS

GPS Data:

Date of Measurement: 04/11/2014 PDOP Reading: 1.6 Instrument Operator's Name: Rob Daley

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  
 460 FNL 480 FEL 460 FSL 480 FEL  
 Sec: 25 Twp: 1S Rng: 67W Sec: 25 Twp: 1S Rng: 67W

## 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: 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.)

Please see lease map.

Total Acres in Described Lease: 95 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: 462 Feet  
Building Unit: 606 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 415 Feet  
Above Ground Utility: 449 Feet  
Railroad: 1062 Feet  
Property Line: 434 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: 10/18/2014

## SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 831 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

Section 25 T1S R67W has been forced pool under Spacing Order 407-1077

## 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           | 407-1077                | 640                           | All                                  |

## DRILLING PROGRAM

Proposed Total Measured Depth: 12616 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 3168 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 H<sub>2</sub>S 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: Land application

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        | 13+1/2       | 9+5/8          | 36    | 0             | 1200          | 995       | 1200    | 0       |
| 1ST         | 8+3/4        | 7              | 26    | 0             | 8259          | 838       | 8259    | 3000    |
| 1ST LINER   | 6+1/8        | 4+1/2          | 11.6  | 8059          | 12616         |           |         |         |

☒ 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

Distance to completed portion of wellbore to nearest wellbore permitted or completed in the same formation was measured to the Schaefer 25-1-4HC. Distance to nearest permitted or existing wellbore penetrating objective formation was measured from the land point of the proposed well to the permitted/planned directional of the Sharp 24-3-9HC.

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

Location ID: 440718

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: Andrea Gross

Title: Permit Agent Date: \_\_\_\_\_ Email: agross@upstreampm.com

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: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

API NUMBER

05

### 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.



## Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u>            | <u>Description</u>   |
|-----------|--------------------------------|--|
| 1         | Drilling/Completion Operations | Closed Loop System: Closed Loop System will be used for drilling and fluid management. No reserve pit will be used.  |
| 2         | Drilling/Completion Operations | Green Completions: Ward will comply with COGCC Rule 805b.(3)A and utilize Green Completion Methods.  |
| 3         | Drilling/Completion Operations | <p>BOPE Testing: Upon initial rig-up and once every 30 days during drilling operations, pressure testing of the casing string and each component of the BOPE will be performed to 70% of working pressure or 70% of the internal yield of the casing, whichever is less.</p> <p>BOPE for well servicing operations: Adequate blowout prevention equipment will be used on any servicing operations associated with this well. Backup staving valves shall be required on well servicing operations during reverse circulation. Valves will be pressure tested before each well servicing operation using both low-pressure and high-pressure fluid.</p> <p>BOPE: Ward will utilize drilling rigs with a minimum of a double ram and annular preventer.</p> |
| 4         | Drilling/Completion Operations | Drill Stem Tests: Drill Stem Tests are not anticipated for this location.  |
| 5         | Drilling/Completion Operations | Pit Level Indicators: Pit Level Indicators will not be needed as no pits will be used on location.   |
| 6         | Drilling/Completion Operations | 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.  |
| 7         | Final Reclamation              | Identification of Plugged and Abandoned Wells: Pursuant to Rule 319.a.(5)., once the well has been plugged and abandoned, Ward will identify the location of the wellbore with a permanent monument that will detail the well name and date of plugging.   |

Total: 7 comment(s)

## Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u>                |
|--------------------|----------------------------|
| 400659496          | OffsetWellEvaluations Data |
| 400659763          | WELL LOCATION PLAT         |
| 400659765          | DEVIATED DRILLING PLAN     |
| 400777412          | DIRECTIONAL DATA           |
| 400786269          | LEASE MAP                  |
| 400788781          | SURFACE AGRMT/SURETY       |
| 400788782          | EXCEPTION LOC REQUEST      |

Total Attach: 7 Files

## General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
|                   |                |                     |

Total: 0 comment(s)