

State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
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Date Received:

UNDERGROUND INJECTION FORMATION PERMIT APPLICATION

Per Rule 325, this form shall be submitted with all required attachments.

A Form 31 – Intent shall be submitted and approved prior to completing an injection zone.

A Form 31 – Subsequent shall be submitted following collection of water samples and injectivity test (if performed) and must be approved prior to injection in any new injection facility.

NOTE: Per Rule 324B, an aquifer exemption is required for any injection formation with water quality less than 10,000 mg/L total dissolved solids (TDS). Contact the Commission for further requirements if the TDS as determined by water analysis for the injection zone is less than 10,000 mg/L.

Form 31 Type

☒ Intent☐ Subsequent

UIC Facility ID 0

UIC Facility ID Required for Subsequent
Form 31

UIC FACILITY INFORMATION

Facility Name and Number: Decker 2 County: WASHINGTON

Facility Location: SE/NE / 18 / 4S / 53W / 6 Field Name and Number: BISON 6800

Facility Type: ☐ Enhanced Recovery ☒ Disposal ☐ Simultaneous DisposalSingle or Multiple Well Facility? ☒ Single ☐ Multiple

Proposed Injection Program (Required):

Diamond is the operator of the Decker #1 and Decker #3 wells located in the NE/4 Section 18-T4S-R53W. The two wells produce oil and water from the Cretaceous J Sandstone. Diamond is also the operator of the Decker #2 well (aka Decker 22-18). The Decker #2 was once a producing oil well from the J Sandstone but its' current status is temporarily abandoned. Diamond wants to convert the Decker #2 into a UIC well for disposal of produced water from the Decker #1 and #3 into the J Sandstone. Diamond will collect the produced water from a tank at the Decker production facility and transport the water via underground pipeline to the Decker #2 well. Diamond projects the Decker #2 will initially accept the water via gravity feed.

OPERATOR INFORMATION

OGCC Operator Number: 24320

Name of Operator: DIAMOND OPERATING, INC.

Address: 6666 GUNPARK DR STE #200

City: BOULDER State: CO Zip: 80301

Contact Name and Telephone:

Name: Dave Peterson

Phone: (303) 494-4420 Fax: (303) 494-3931

Email: davep@flatironenergy.com

INJECTED FLUID TYPE

All injected fluids must be Exempt E&P waste per RCRA Subpart C.

(Check all that apply.)

☒ Produced Water☐ Natural Gas☐ CO2☐ Drilling Fluids☐ Exempt Gas Plant Waste☐ Used Workover Fluids☐ Flowback Fluids☐ Other Fluids (describe):

Commercial Disposal Facility

☐ Yes☒ No

Commercial UIC Bond Surety ID:

Commercial Facility Description: Describe the physical region of the facility, the details of the operations, and the type of fluids to be injected.

PROPOSED INJECTION FORMATIONS

FORMATION (Name): J SAND Porosity: 24 %
Formation TDS: 990 mg/L Frac Gradient: psi/ft Permeability: 137 mD
Proposed Stimulation Program: ☐ Acid ☐ Frac Treatment ☐ None

ANTICIPATED FACILITY OPERATIONS CONDITIONS

Under normal operating conditions, estimated TOTAL fluid injection rates and pressures for this facility:

FOR WATER: Daily Injection Rate Range From 0 to 850 bbls/day
Surface Injection Pressure Range From 0 to 1240 psi
FOR GAS: Daily Injection Rate Range From to mcf/day
Surface Injection Pressure Range From to psi

Estimated Initial Injection Date: 6/1/2016

AREA OF REVIEW OIL and GAS WELL EVALUATION SUMMARY

Review all existing wells within 1/2 mile for injection formation isolation.

Area Review Date: 3/28/2016

Total number of Oil & Gas Wells within Area of Review: 13

ABANDONED WELLS (All wells that have been plugged: PA and DA status))

| | |
|-----------------------------|----|
| Total within Area of Review | 10 |
| Number To Be Re-Plugged | 0 |

ACTIVE WELLS (All wells that have not been plugged: AC, DG, DM, IJ, PR, SU, SI, TA, WO, XX, UN status)

| | |
|--------------------------------|---|
| Total within Area of Review | 3 |
| Number Requiring Casing Repair | 0 |
| Number To Be Plugged | 0 |

Operator's Area of Review Contact Email: Dave Peterson

☐ No Wells within 2,640'

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

Print Name: Dave Peterson Signed: _____

Title: President Date: _____

COGCC Approved: _____ Date: _____

Form 31 - Intent Expiration Date: _____

Per Rule 325.o, a 90 day extension of the Expiration Date may be requested via a Sundry Notice, Form 4 submitted prior to Form 31- Intent expiration

Order Number: _____ UIC FACILITY ID: 0

CONDITIONS OF APPROVAL, IF ANY:

| COA Type | Description |
|-------------------------------------|---------------------------|
| | |
| <u>Attachment Check List</u> | |
| <u>Att Doc Num</u> | <u>Name</u> |
| 401015425 | OTHER |
| 401015426 | CERTIFIED MAIL RECEIPT(S) |
| Total Attach: 2 Files | |
| <u>General Comments</u> | |
| <u>User Group</u> | <u>Comment</u> |
| | |
| Total: 0 comment(s) | |