

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:  
401037390

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

Date Received:  
05/02/2016

TYPE OF WELL    OIL     GAS     COALBED     OTHER Pilot \_\_\_\_\_  
ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Refilling   
Sidetrack

Well Name: UTE AB      Well Number: 2  
Name of Operator: BP AMERICA PRODUCTION COMPANY      COGCC Operator Number: 10000  
Address: 380 AIRPORT RD  
City: DURANGO      State: CO      Zip: 81303  
Contact Name: Naomi Azulai      Phone: (970)3757511      Fax: ( )  
Email: naomi.azulai@bp.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20010158

WELL LOCATION INFORMATION

QtrQtr: SWSE      Sec: 16      Twp: 33N      Rng: 7W      Meridian: N  
Latitude: 37.100011      Longitude: -107.611281

Footage at Surface: 1162 feet      FNL/FSL      FEL/FWL  
FSL      1786 feet      FEL

Field Name: IGNACIO BLANCO      Field Number: 38300  
Ground Elevation: 6443      County: LA PLATA

GPS Data:  
Date of Measurement: 10/01/2015      PDOP Reading: 1.4      Instrument Operator's Name: JOHN JURSA

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  
1459      FSL      1213      FEL      1459      FSL      1213      FEL  
Sec: 16      Twp: 33N      Rng: 7W      Sec: 16      Twp: 33N      Rng: 7W

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: 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.)

See attached mineral lease map.

Total Acres in Described Lease: 80 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: 117 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 965 Feet

Building Unit: 965 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 1215 Feet

Above Ground Utility: 172 Feet

Railroad: 5280 Feet

Property Line: 193 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 proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 2227 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1172 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	S2

## DRILLING PROGRAM

Proposed Total Measured Depth: 2933 Feet

Distance from proposed wellbore to nearest existing or permitted wellbore belonging to another operator:

150 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: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Beneficial reuse or land application plan submitted?                     

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	350	265	350	0
1ST	7+7/8	5+1/2	15.5	0	2933	365	2933	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 No 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: Naomi Azulai

Title: Well Permitting Analyst Date: 5/2/2016 Email: naomi.azulai@bp.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: 6/17/2016

Expiration Date: 06/16/2018

### API NUMBER

05 067 09988 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

COA Type	Description

## Best Management Practices

### No BMP/COA Type

### Description

No BMP/COA Type	Description

## Applicable Policies and Notices to Operators

### Policy

Notice Concerning Operating Requirements for Wildlife Protection.  
[http://cogcc.state.co.us/documents/reg/Policies/Wildlife\\_Notice.pdf](http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf)

## Attachment Check List

<b>Att Doc Num</b>	<b>Name</b>
1857726	MAP-Distance to nearest well bore operated by another company
401037390	FORM 2 SUBMITTED
401039348	WELL LOCATION PLAT
401039350	MINERAL LEASE MAP
401039352	DEVIATED DRILLING PLAN
401039353	OTHER
401039364	DIRECTIONAL DATA
401039450	WELLBORE DIAGRAM

Total Attach: 8 Files

### General Comments

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Engineer	<p>The operator reported that the distance of their proposed wellbore to the nearest wellbore operated by another company is 416'. After further review by the COGCC, the actual distance is 144' (see attached plat map depicting both surface locations and BHL locations for the individual wells).</p> <p>It is recommended that BP perform an anti-collision evaluation with the WPX Ignacio 33-7 #9 API #067-05397 offset wellbore to drilling operations for the proposed well. It is also recommended that notice be given to WPX prior to drilling.</p> <p>Rule 317.r. notice is not required because this well is Indian surface and minerals.</p> <p>BP permitting spc. discussed internal anti-collision analysis with COGCC and determined acceptable.</p>	6/13/2016 3:34:30 PM
Final Review	Final Approval pushed to On Hold. Distance to other operator offset wellbore appears to be incorrect. Waiting on Engineer verification and comment.	6/11/2016 9:41:49 AM
Permit	Final Review Completed. No LGD or public comment received.	6/8/2016 11:36:09 AM
Engineer	No COA's - Ute surface and minerals ownership - BLM Jurisdiction	5/26/2016 12:10:30 PM
Permit	Passed completeness.	5/6/2016 3:57:31 PM

Total: 5 comment(s)