

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:
03/09/2016

TYPE OF WELL OIL GAS COALBED OTHER and Deepen Refiling

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Well Name: Schulte Well Number: 1-13R

Name of Operator: GRYNBERG* JACK DBA GRYNBERG PETROLEUM CO COGCC Operator Number: 36200

Address: 3600 S. YOSEMITE ST - STE 900

City: DENVER State: CO Zip: 80237-1830

Contact Name: Heather Bader Phone: (303)850-7490 Fax: ()

Email: h.bader@grynberg.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100037

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 3 Twp: 6S Rng: 52W Meridian: 6

Latitude: 39.550400 Longitude: -103.207800

Footage at Surface: 312 feet FNL/FSL FSL 1046 feet FEL/FWL FWL

Field Name: WILDCAT Field Number: 99999

Ground Elevation: 4945 County: LINCOLN

GPS Data:
Date of Measurement: 03/03/2016 PDOP Reading: 3.5 Instrument Operator's Name: Craig Burke

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

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: Bond

Surface damage assurance if no agreement is in place: \$2,000 Surface Surety ID: 20160083

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.)

T6S-R52W
Sec3 S/2 of SW/4
Sec10 N/2 of NW/4
Refer to attached pooling agreement.

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: 1046 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1046 Feet
Above Ground Utility: 4315 Feet
Railroad: 5280 Feet
Property Line: 1046 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: 5280 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary _____ 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.)
ARBUCKLE	ABCK			
ATOKA	ATOK			
CHEROKEE	CHRK			
J SAND	JSND			
KANSAS CITY	KSSC			
LANSING	LNSNG			
MARMATON	MRTN			
MORROW	MRRW			
REAGAN	REGN			
SPERGEN	SPGN			
WOLFCAMP GRANITE WASH	WFCGW			

DRILLING PROGRAM

Proposed Total Measured Depth: 8700 Feet

Distance from proposed wellbore to nearest existing or permitted wellbore belonging to another operator:
4900 Feet (Including plugged wells)

Will a closed-loop drilling system be used? No

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 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Evaporation

Cuttings Disposal: ONSITE Cuttings Disposal Method: Drilling pit

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	238	200	238	0
1ST	7+7/8	5+1/2	17	0	8700	928	8700	1500

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

Water well sampling per Rule 609: No water wells within a one-half mile radius of the proposed well.

During the meeting on May 18, 2016 we discussed that prior to deepening the Davis Oil, JF Ellison #1, API 05-073-05055 that was drilled and abandoned in September 1958 the COGCC will require Grynberg to:

Run a CBL on the 230' of 8 5/8" 24# surface casing.
 Run a casing inspection log on the surface casing that will show casing thickness. Logging tool spec sheet attached..
 Pull test 30, 000 pounds up on the surface casing.
 Pressure test the surface casing to 1000 PSI for 15 minutes.

Notify the COGCC inspectors 24 hours in advance to witness all of the above operations.

Meeting attendees; COGCC Stuart Ellsworth, Diana Burns, Dirk Sutphin and Richard Miller with Grynberg Petroleum.

This application is in a Comprehensive Drilling Plan No CDP #: _____

Location ID: 386901

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: Heather Bader

Title: Regulatory Consultant Date: 3/9/2016 Email: h.bader@grynberg.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
05 073 05055 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

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Best Management Practices

No BMP/COA Type

Description

1	General Housekeeping	<ul style="list-style-type: none"> • Materials and fluids will be stored in a neat and orderly fashion. • Waste will be collected regularly and disposed of at an offsite facility. • Drip pans will be used during fueling and maintenance to contain spills or leaks. • Cleanup of trash and discarded material will be done at the end of the work day. • Cleanup will consist of monitoring the road, location and any other work areas. • Material to be cleaned up includes trash, scrap, and contaminated soil.
2	Storm Water/Erosion Control	Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with oil and gas development throughout the State of Colorado. BMPs will be constructed as necessary to prevent stormwater from leaving the construction site. BMPs used will vary according to the location, and will remain until the pad is reclaimed.
3	Material Handling and Spill Prevention	<p>Materials and fluids will be stored in a neat and orderly fashion.</p> <ul style="list-style-type: none"> • Waste will be collected regularly and disposed of at an offsite facility. • Prompt cleanup is required of spills to minimize waste materials entering the stormwater runoff.
4	Drilling/Completion Operations	Open Hole Resistivity/GR log will be run from base of surface casing to TD. A cement bond log shall be run on all production casing.
5	Drilling/Completion Operations	<p>Drilling cuttings will be discharged into the reserve pit, removed and dried on location then buried in the reserve pit once dried out.</p> <p>Drilling fluids will be discharged into the reserve pit and evaporated.</p> <p>Production pit will be 125' x 125' x 8, unlined.</p>

Total: 5 comment(s)

Attachment Check List

Att Doc Num

Name

401002680	FORM 2 SUBMITTED
401026996	PLAT
401066421	WELLBORE DIAGRAM
401067217	MINERAL LEASE MAP
401067218	DRILLING PLAN

Total Attach: 5 Files

General Comments

User Group

Comment

Comment Date

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Total: 0 comment(s)