

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:

401013202

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 ☐

Date Received:

04/05/2016

Well Name: Ray Ranch 0780

Well Number: 1-16H

Name of Operator: SANDRIDGE EXPLORATION & PRODUCTION LLC

COGCC Operator Number: 10598

Address: 123 ROBERT S KERR AVE

City: OKLAHOMA CITY

State: OK

Zip: 73102

Contact Name: Spence Laird

Phone: (405)429-6518

Fax: ()

Email: slaird@sandridgeenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20160010

WELL LOCATION INFORMATION

QtrQtr: NWNE Sec: 21 Twp: 7N Rng: 80W Meridian: 6

Latitude: 40.569537

Longitude: -106.376011

Footage at Surface: 250 feet FNL/FSL FNL 1957 feet FEL/FWL FEL

Field Name: WILDCAT

Field Number: 99999

Ground Elevation: 8235

County: JACKSON

GPS Data:

Date of Measurement: 07/22/2015 PDOP Reading: 2.1 Instrument Operator's Name: RAS

If well is ☐ Directional ☒ Horizontal (highly deviated) submit deviated drilling plan.

Footage at Top of Prod Zone: FNL/FSL FNL/FWL Bottom Hole: FNL/FSL FNL/FWL
300 FSL 2310 FEL 300 FNL 2310 FEL
Sec: 16 Twp: 7N Rng: 80W Sec: 16 Twp: 7N Rng: 80W

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: 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.)

Sec 16 & 21 of 7N80W-ALL, and other lands.

Total Acres in Described Lease: 1200 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: 300 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: 5141 Feet

Above Ground Utility: 280 Feet

Railroad: 5280 Feet

Property Line: 250 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: 660 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 300 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.)
NIOBRARA	NBRR	531-23	1280	Sec. 16 & 21: All

DRILLING PROGRAM

Proposed Total Measured Depth: 13522 Feet

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

5280 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? Yes

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: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Oil based mud (OBM) will be used to drill everything after surface casing is set. All OBM cuttings will be hauled offsite.

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	90	189	90	0
SURF	12+1/4	9+5/8	36	0	2500	708	2500	0
1ST	8+3/4	5+1/2	20	0	13522	2433	13522	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 APD is being submitted as a refile of API#:057-06531 which has previously been abandoned.

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

Location ID: 438250

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: Spence Laird

Title: Regulatory Supervisor Date: 4/5/2016 Email: slaird@sandridgeenergy.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: 6/28/2016

Expiration Date: 06/27/2018

API NUMBER

05 057 06531 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

	1)Operator shall comply with the most current revision of the Northwest Notification Policy.
	2) Operator shall provide cement coverage from the production casing shoe (5+1/2" First String) to a minimum of 200' above the surface casing shoe to provide full isolation of the Coalmont Formation. Verify production casing cement coverage with a cement bond log.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	One of the first wells drilled on the pad will be logged with open-hole Resistivity Log and Gamma Ray Log from the kick-off point into the surface casing. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The horizontal portion of every well will be logged with a measured-while-drilling gamma-ray log. The Form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached. The Form 5 for a well without open-hole logs shall clearly state "No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run.

Total: 1 comment(s)

Applicable Policies and Notices to Operators

Policy
NW Colorado Notification Policy. http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf
Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401013202	FORM 2 SUBMITTED
401025859	DEVIATED DRILLING PLAN
401025875	DIRECTIONAL DATA
401025876	DRILLING PLAN
401031059	WELL LOCATION PLAT
401033228	SURFACE AGRMT/SURETY

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed this Form 2 to a "Refile" to remove unused "AL" wellbores that were on the EVANS 0780 #21 pad.	6/27/2016 4:11:04 PM
Permit	The final review is complete.	6/27/2016 11:55:00 AM

Engineer	<p>Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information was used in addition to locally-available geophysical logs and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 150 feet.</p> <p>The Coalmont Formation is considered a potential freshwater resource in the North Park Basin (CGS Ground Water Atlas of Colorado, 2003). The proposed surface casing setting depth of 2500' will not cover the entire Coalmont Formation, based on the operator's drilling prognosis for an offset well, Gregory #5-09H (057-06535), COGCC Document No. 2056182. Minimum cement isolation standards are specified in Condition of Approval #2.</p> <p>Offset Well Evaluation: There are no existing offset wells within 1,500 feet of the wellbores planned on this pad.</p> <p>Evaluated offset permitted (XX) well Homestead #04-09H (057-06495), which has not been drilled and the well's Form 2 Application for Permit to Drill # 1713533, expired on 7/23/2010. The design of this well would not meet current standards, which require full isolation of the Coalmont Formation. Any refile of a Permit to Drill for the Homestead #04-09H well would require full isolation of the Coalmont Formation. No offset mitigation required because this well has an expired Permit to Drill, and the well was not drilled.</p>	3/8/2016 8:51:08 AM
Permit	<p>Changed the field name from "NORTH PARK HORIZONTAL NIOBRARA" to "WILDCAT".</p> <p>Corrected the total acres in described lease from "1280" to "1200" to remove Federal lands.</p> <p>Passes permitting.</p>	3/2/2016 8:40:53 AM
Permit	Passed completeness.	4/29/2016 1:35:19 PM
Permit	<p>Noted corrections:</p> <p>-- SUA dollar amounts are redacted</p>	4/29/2016 1:34:59 PM
Permit	<p>Returned to draft:</p> <p>--SUA needs dollar amounts redacted</p>	4/20/2016 7:13:15 AM
Permit	<p>1. Missing individual Well Location Plat; please attach.</p> <p>2. Deviated Drilling Plan needs to be correctly labeled in Attachments.</p> <p>3. BMP Rule 317.p requires more detail. Please use the following wording, "One of the first wells drilled on the pad will be logged with open-hole Resistivity Log and Gamma Ray Log from the kick-off point into the surface casing. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The horizontal portion of every well will be logged with a measured-while-drilling gamma-ray log. The Form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached. The Form 5 for a well without open-hole logs shall clearly state "No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run."</p> <p>4. Missing Related Form for associated OGLA document number; please upload.</p> <p>5. Delete extraneous attachments: Location Pictures, Reference Pictures, Other/Geoprog, Drilling Plan/Anti-Collision.</p>	4/14/2016 3:25:34 PM
Permit	<p>1. Surety Bond is insufficient; request active ID number.</p> <p>2. Well location ground elevation discrepancy between form and attached Well Location Plat; request clarification.</p> <p>3. Request confirmation Surface Owner is also Mineral Owner.</p> <p>4. Request revised Drilling Plan attachment.</p> <p>5. Request Directional Data is imported.</p> <p>6. Request amended SUA.</p> <p>7. Request Operator wellbore integrity contact email.</p> <p>8. Request the inclusion of Related Form document numbers.</p> <p>Emailed Operator Contact for all requests and clarification.</p>	4/8/2016 2:37:31 PM

