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: 401050443 **(SUBMITTED)**

Date Received:

APPLICATION FOR PERMIT TO:

☒ **Drill** ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____ Refiling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐ Sidetrack ☐

Well Name: YOUBERG Well Number: SR 21-12

Name of Operator: TEP ROCKY MOUNTAIN LLC COGCC Operator Number: 96850

Address: PO BOX 370

City: PARACHUTE State: CO Zip: 81635

Contact Name: VICKI SCHOEBER Phone: (970)263-2721 Fax: ( )

Email: VSCHOEBER@TERRAEP.COM

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20160057

WELL LOCATION INFORMATION

QtrQtr: SWNE Sec: 12 Twp: 7S Rng: 94W Meridian: 6

Latitude: 39.455441 Longitude: -107.833942

Footage at Surface: 1882 feet FNL/FSL FNL 2127 feet FEL/FWL FEL

Field Name: RULISON Field Number: 75400

Ground Elevation: 7254 County: GARFIELD

GPS Data:

Date of Measurement: 04/21/2016 PDOP Reading: 2.8 Instrument Operator's Name: J. Kirkpatrick

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
187	FNL	1349	FWL	187	FNL	1349	FWL
Sec: 12	Twp: 7S	Rng: 94W		Sec: 12	Twp: 7S	Rng: 94W	

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Surface Owner is: (check all that apply)
- ☒ is the mineral owner beneath the location.
- ☐ 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.)

T7S R94W
SEC. 12: LOTS 3 (39.04 NE/4NW/4), 4 (38.04 NW/4NW/4), 7 (38.40 SE/4SE/4), S/2NW, SW, SWSE

Total Acres in Described Lease: 395 Described Mineral Lease is: ☐ Fee ☐ State ☒ Federal ☐ Indian

Federal or State Lease # COC36490

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 187 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:	275	Feet
Above Ground Utility:	1743	Feet
Railroad:	5280	Feet
Property Line:	463	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: 455 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 187 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

CA -COC55168 – All of Sec. 12, T7S-R94W, MVRD

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
WILLIAMS FORK	WMFK	139-76	640	All of Section 12

DRILLING PROGRAM

Proposed Total Measured Depth: 9921 Feet

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

1305 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H_2S 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: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Cuttings trench

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
CONDUCTOR	26	18	48	0	60	23	60	0
SURF	13+1/2	9+5/8	32.3	0	1100	266	1100	0
1ST	8+3/4	4+1/2	11.6	0	9921	769	9921	5984

☐ 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: 324061

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: VICKI SCHOEBER

Title: Regulatory Specialist Date: Email: VSCHOEBER@TERRAEP.CO

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.

COA Type	Description

Best Management Practices

No	BMP/COA Type	Description
1	Planning	* Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas. * Minimize the number, length, and footprint of oil and gas development roads * Use existing roads where possible * Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors * Combine and share roads to minimize habitat fragmentation * Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development * Maximize the use of directional drilling to minimize habitat loss/fragmentation * Maximize use of long-term centralized tank batteries to minimize traffic * Phase and concentrate development activities, so that large areas of undisturbed habitat for wildlife remain.
2	Drilling/Completion Operations	* Use centralized hydraulic fracturing operations. * Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures).
3	Drilling/Completion Operations	* TEP will run triple-combo open hole logs from well TD up to base of surface casing on one of the first wells drilled on a multi-well pad. Remaining wells on the pad will be logged with either cased hole pulsed neutron or triple-combo open hole. Every well will also have a CBL log from well TD up through well surface. Form 5 Completion Reports will identify wells on the pad with triple-combo open hole logs.
4	Interim Reclamation	* Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements * Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife * TEP will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas. * Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. * Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.

Total: 4 comment(s)

Attachment Check List

Att Doc Num	Name
401064965	DIRECTIONAL DATA
401064966	DEVIATED DRILLING PLAN
401064967	DEVIATED DRILLING PLAN
401069260	WELL LOCATION PLAT
401069262	SURFACE AGRMT/SURETY
401074392	FED. DRILLING PERMIT

Total Attach: 6 Files

General Comments

User Group	Comment	Comment Date

Total: 0 comment(s)