

FORM  
2

Rev  
08/16

## 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:

401123024

**(SUBMITTED)**

Date Received:

#### APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER SIDETRACK

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☒

Well Name: Varra

Well Number: 3

Name of Operator: EXTRACTION OIL & GAS LLC

COGCC Operator Number: 10459

Address: 370 17TH STREET SUITE 5300

City: DENVER

State: CO

Zip: 80202

Contact Name: Kamrin Ruder

Phone: (720)9747743

Fax: ( )

Email: kruder@extractionog.com

#### RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20130028

#### WELL LOCATION INFORMATION

QtrQtr: NWSW Sec: 5 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.513223

Longitude: -104.923878

Footage at Surface: 1693 Feet FNL/FSL FSL 790 Feet FEL/FWL FWL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4874

County: WELD

GPS Data:

Date of Measurement: 03/31/2014 PDOP Reading: 1.9 Instrument Operator's Name: Ben Hardenbergh

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

Footage at Top of Prod Zone: FNL/FSL FSL 2301 FSL 460 FSL 2110 FSL 460 FEL/FWL FEL

Sec: 5 Twp: 6N Rng: 67W Sec: 4 Twp: 6N Rng: 67W

#### 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: 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.)

TOWNSHIP 6 NORTH, RANGE 67 WEST, 6th P.M.

Section 5:

Tract 1 - 2.631 acres of land, more or less, Part of the South West Quarter of Section 5, and being more particularly described by metes and bounds in that certain Subdivision Exemption No. SE-1089, dated September 18, 2006 as Reception No. 3426214 and further referenced in that certain Warranty Deed dated May 17, 1968 from Harold Varra to Daniel H. Varra and Carolyn S. Varra, as joint tenants, recorded as Reception No. 1516562 of the records of Weld County Clerk and Recorder, Colorado.

Tract2 - 104.148 acres of land, more or less, Part of the South West Quarter of Section 5, and being more particularly described by metes and bounds as Lot B in Recorded Exemption No. 0807-3-03 RE4305, dated September 18, 2006 as Reception No. 3426215 and further referenced in that certain Quitclaim Deed dated October 20, 2006 from Dan and Carolyn S. Varra to Dan H. Varra, recorded as Reception No. 3428865 of the records of Weld County Clerk and Recorder, Colorado.

Tract3 - 11.665 acres of land, more or less, Part of the South West Quarter of Section 5, and being more particularly described by metes and bounds as Lot B in Recorded Exemption No. 0807-3-03 RE4305, dated September 18, 2006 as Reception No. 3426215 and further referenced in that certain Quitclaim Deed dated October 20, 2006 from Dan and Carolyn S. Varra to Dan H. Varra, recorded as Reception No. 3428865 of the records of Weld County Clerk and Recorder, Colorado.

Total Acres in Described Lease: 118 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: 0 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 573 Feet  
Building Unit: 590 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 513 Feet  
Above Ground Utility: 473 Feet  
Railroad: 5280 Feet  
Property Line: 123 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: 04/17/2014

## 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: 206 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

## SPACING & FORMATIONS COMMENTS

Distance from Completion portion of wellbore to nearest wellbore permitted or completed in the same formation is Varra 5-23 API #05-123-36161.

NIOBRARA: Proposed Spacing Unit is described as the S2N2 and N2S2 of Sections 4 and 5.

## 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		640	GWA

## DRILLING PROGRAM

Proposed Total Measured Depth: 17361 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: 206 Feet ☐ No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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 318A

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

Cuttings will be disposed of by land spreading

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	24	16	42	0	80	100	80	0
SURF	13+1/2	9+5/8	36	0	1596			0
1ST	7+7/8	5+1/2	20	0	17361			

☐ 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

We tripped back in hole on the Varra #3, we had a throw at 14,100' that was 45' larger than the previous well drilled and put us in the bottom of the Sharron. We weighted up our mud and conditioned the hole, and saw little improvement. With how sticky the well was acting we thought our best option was to pull back and sidetrack, then lower our targets going into the fault to avoid the Sharron on this pass.

API # - 05-123-39984-00  
Total MD Drilled - 15,041'  
Surface Casing - 9-5/8" 36# set at 1596'  
Proposed Fish - None  
Open hole sidetrack plan: Side track at 11,033' and change targets to avoid Sharron  
Depth of Sidetrack- 11,033' MD  
Objective formation of sidetrack - Niobrara (same as APD)  
Proposed BHL - Sec 5 - TWP 6N 67W 2110 FSL 460 FEL (same as approved sundry)  
  
Email approval given by Diana Burn on 10/1/2016

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: \_\_\_\_\_

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: Kamrin Ruder

Title: Drilling Technician Date: \_\_\_\_\_ Email: kruder@extractionog.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

05 123 39984 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

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### Attachment Check List

#### Att Doc Num

#### Name

401123025	CORRESPONDENCE
401123026	WELLBORE DIAGRAM

Total Attach: 2 Files

### General Comments

#### User Group

#### Comment

#### Comment Date

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Total: 0 comment(s)

## Public Comments

No public comments were received on this application during the comment period.

