

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:  
401108453

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

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

Refiling   
Sidetrack

Date Received:  
09/16/2016

Well Name: Avila East Federal      Well Number: 32-29-20-1-3CH  
Name of Operator: LONGS PEAK RESOURCES LLC      COGCC Operator Number: 10611  
Address: 2323 S SHEPHERD SUITE 1150  
City: HOUSTON      State: TX      Zip: 77019  
Contact Name: David Clarkson      Phone: (720)542-9516      Fax: ( )  
Email: dclarkson@vrtxep.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20160012

WELL LOCATION INFORMATION

QtrQtr: NENE      Sec: 32      Twp: 12N      Rng: 65W      Meridian: 6  
Latitude: 40.969960      Longitude: -104.678810

Footage at Surface: 420 Feet FNL/FSL      700 Feet FEL/FWL

Field Name: WILDCAT      Field Number: 99999  
Ground Elevation: 5978      County: WELD

GPS Data:  
Date of Measurement: 08/12/2014    PDOP Reading: 1.3    Instrument Operator's Name: Scott Estabrooks

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  
500      FSL      1980      FEL      37      FSL      1980      FEL  
Sec: 29      Twp: 12N      Rng: 65W      Sec: 17      Twp: 12N      Rng: 65W

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: 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.)

N2, N2S2 Sec 20, T12N, R65W. NE4 Sec 29 T12N, R65W.

Total Acres in Described Lease: 640 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: 4256 Feet

Building Unit: 4431 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 305 Feet

Above Ground Utility: 344 Feet

Railroad: 5280 Feet

Property Line: 420 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: 1368 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 330 Feet (Enter 5280 for distance greater than 1 mile.)

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

**SPACING & FORMATIONS COMMENTS**

Only the Portions of Section 17 lying within Colorado.

**OBJECTIVE FORMATIONS**

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL                 | CODL           | 535-538                 | 1343                          | Sec 17, 20, 29: All                  |

## DRILLING PROGRAM

Proposed Total Measured Depth: 19331 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: 1132 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 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:

Disposal of the drilling fluids and cuttings is commercial disposal at CSI's facility.

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 |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR   | 20           | 16             | 64    | 0             | 80            | 460       | 80      | 0       |
| SURF        | 13+1/2       | 9+5/8          | 36    | 0             | 2480          | 795       | 2480    | 0       |
| 1ST         | 8+3/4        | 7              | 29    | 0             | 9337          | 640       | 9337    | 4400    |
| 1ST LINER   | 6+1/8        | 4+1/2          | 11.6  | 8830          | 19331         | 1315      | 19331   | 8830    |

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 Bottom hole location is 330' from the state line.  
  
The Distance to the nearest wellbore belonging to another operator on the "Drilling & Waste Plans" tab, Well B, was measured to via COGCC GIS mapping in plan view.  
  
This pad has not been built. There have been no changes to well construction or lease information and no changes have been made from the previously approved Form 2. This pad has a valid Form 2A.

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

Location ID: 439450

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: David Clarkson

Title: Agent Date: 9/16/2016 Email: dclarkson@vrtxep.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: *Matthew Lee* Director of COGCC Date: 10/12/2016

Expiration Date: 10/11/2018

**API NUMBER**  
05 123 40437 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.

| <u>COA Type</u> | <u>Description</u>   |
|-----------------|--|
|                 | Approval of this refill APD does not provide relief from compliance with the COGCC Reclamation Rules.  |
|                 | 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU for the first well activity with a rig on the pad and provide 48 hour spud notice for each subsequent well drilled on the pad.<br>2) Comply with Rule 317.j and provide cement coverage from TD to a minimum of 200' above the Niobrara. Verify coverage with cement bond log.<br>3) Operator has indicated that no oil based drilling fluids are to be used on this location.  |
|                 | Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test:<br>1) Within 60 days of rig release and prior to stimulation and<br>2) If a delayed completion, 6-7 months after rig release and prior to stimulation.<br>3) Within 30 days after first production, as reported on Form 5A.  |
|                 | Multi Well Open Hole Logging<br>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. |

## Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u> | <u>Description</u> |
|-----------|---------------------|--------------------|
|           |                     |                    |

## Applicable Policies and Notices to Operators

|  |
|--|
| Policy   |
| Notice Concerning Operating Requirements for Wildlife Protection.<br><a href="http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf">http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf</a> |

## Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u>                |
|--------------------|----------------------------|
| 401108453          | FORM 2 SUBMITTED           |
| 401110989          | OffsetWellEvaluations Data |

Total Attach: 2 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>  | <u>Comment Date</u>      |
|-------------------|---|--------------------------|
| Permit            | Final Review Completed.   | 10/12/2016<br>9:12:42 AM |
| Permit            | Per operator added Location ID number, added to operator comment "This pad has not been built. No changes have been made from the previously approved Form 2. This pad has a valid Form 2A." Removed docket number and comment. Permitting Review Complete. | 10/3/2016<br>11:57:22 AM |
| Permit            | ON HOLD: requesting Location ID # & added to operator comment wither pad has been built.  | 10/3/2016<br>10:02:55 AM |
| Engineer          | Offset wells evaluated.<br>Distance measurement noted as 2d requires 3d component, but complies with 317.s.   | 9/30/2016<br>8:44:53 AM  |
| Permit            | Passes completeness.  | 9/21/2016<br>9:43:35 AM  |
| Permit            | Returned to draft:<br>--need authorized designated agent<br>--delete duplicate attachments and make comment about no changes  | 9/19/2016<br>12:49:25 PM |

Total: 6 comment(s)