

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:

401143897

(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: 9

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: 40.512795

Longitude: -104.923882

Footage at Surface: 1537 Feet FNL/FSL FSL 786 Feet FEL/FWL FWL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4873

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 1001 FSL 460 FWL 810 FSL 460 FEL 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 PM
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 bound 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 the Weld County Clerk and Recorder, Colorado.

Tract 2- 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.

Tract 3- 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:	<u>501</u> Feet
Building Unit:	<u>596</u> Feet
High Occupancy Building Unit:	<u>5280</u> Feet
Designated Outside Activity Area:	<u>5280</u> Feet
Public Road:	<u>5470</u> Feet
Above Ground Utility:	<u>520</u> Feet
Railroad:	<u>5280</u> Feet
Property Line:	<u>124</u> 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: 244 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 (API# 05-123-36162).

Niobrara: Proposed Spacing Unit is described as the S2 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: 17344 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: 244 Feet ☐ No well belonging to another operator within 1,500 feet

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 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	12+1/4	9+5/8	36	0	1560	565	1560	0
1ST	7+7/8	5+1/2	20	0	17344	1550	17344	1450

☐ 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 were working tight hole on the Varra 9, we drilled to 16,786' and the shale started to run on us. We tripped back to 14,800' and the hole grabbed us. We backed off where we were able to pump down a charge at 7300' but were unable to get the fish free while waiting on a tractor. We ran the tractor down to 11,800' which was as far as we could go due to the agitator in the hole. After two attempts to back off the string and place jars the agitator is what broke free and now we are no longer able to fish this string out of the ground.
With your permission we would like to leave the fish in the ground and sidetrack around it. There are no nuclear sources in the ground or LWD tools. Just a standard BHA and drill pipe.
Please call my Cell with any questions or concerns
API # - 05-12-39986-00
Total MD Drilled - 16,786'
Surface Casing - 9-5/8" 36# set at 1560'
Proposed Fish - Yes from 11,800' to 14,826'
Open hole sidetrack plan: Side track at 9,200' and change targets to avoid shale and fish
Depth of Sidetrack- 9,200' MD
Objective formation of sidetrack - Niobrara (same as APD)
Proposed BHL - Sec 4 - TWP 6N 67W 810 FSL 460 FEL (same as approved sundry)

E-mail approval given by Diana Burn on 11/4/2016

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 430411

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 39986 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

401144059	WELLBORE DIAGRAM
401144063	CORRESPONDENCE

Total Attach: 2 Files

General Comments

User Group

Comment

Comment Date

		Stamp Upon Approval
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Total: 0 comment(s)

Public Comments

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

