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: 401180737 **(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: Brighton Lakes Well Number: 2017-3-20HC

Name of Operator: WARD PETROLEUM CORPORATION COGCC Operator Number: 10359

Address: 215 WEST OAK STREET #1000

City: FORT COLLINS State: CO Zip: 80521

Contact Name: Andrea Gross Phone: (303)942-0506 Fax: ( )

Email: agross@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100221

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 20 Twp: 1S Rng: 66W Meridian: 6

Latitude: 39.944500 Longitude: -104.805167

Footage at Surface: 425 Feet FNL/FSL FSL 1026 Feet FEL/FWL FWL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 5047 County: ADAMS

GPS Data:

Date of Measurement: 12/12/2016 PDOP Reading: 1.8 Instrument Operator's Name: Dallas Nielsen

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

Footage at Top of Prod Zone: 460 FNL/FSL FSL 1270 FEL/FWL FWL

Sec: 20 Twp: 1S Rng: 66W

Bottom Hole: 460 FNL/FSL FNL 1270 FEL/FWL FWL

Sec: 17 Twp: 1S Rng: 66W

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: 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.)

See attached lease map.

Total Acres in Described Lease: 480 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:	1204	Feet
Building Unit:	1204	Feet
High Occupancy Building Unit:	5280	Feet
Designated Outside Activity Area:	5280	Feet
Public Road:	412	Feet
Above Ground Utility:	454	Feet
Railroad:	5280	Feet
Property Line:	425	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: 300 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

Ward is on the January Hearing Docket with 170100057 to establish a 640 acre spacing unit for Section 17: W2 and Section 20: W2 T1S R66W.

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	170100057	640	S.20:W2; S.17:W2

DRILLING PROGRAM

Proposed Total Measured Depth: 17625 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: 139 Feet ☐ No well belonging to another operator within 1,500 feet

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? 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: Commercial Disposal

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
SURF	13+1/2	9+5/8	36	0	1500	509	1500	0
1ST	8+3/4	5+1/2	20	0	17625	2386	17625	

☒ 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: Distance to the nearest well permitted in the same formation was measured to the permitted Brighton Lakes 2017-3-17HC. Distance to the nearest well by another operator was measured to the Tashiro UPRR #1 operated by NobleEnergy Inc., which is P&A'd. The Exception Location Waiver for Rule 318A.a. (GWA Windows) and 318A.c. (GWA Twinning) is located in the attached Surface Use Plan in Section 6.18.

This application is in a Comprehensive Drilling Plan: No 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: Andrea Gross

Title: Permit Agent Date: _____ Email: agross@upstreampm.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

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	Construction	Fencing: The wellsite will be fenced if requested by the Surface Owner.
2	Noise mitigation	Noise Mitigation: A background noise study will be done prior to drilling and the appropriate sound wall design will be chosen to meet or exceed COGCC noise requirements.
3	Odor mitigation	Odor Control: Ward will comply with Rule 805 and Department of Public Health and Environment, Air Quality Control Commission, Regulation No. 2 Odor Emission, 5 C.C.R. 1001-4, Regulation No. 3 (5 C.C.R. 1001-5), and Regulation No. 7 Section XVII.B.1 (a-c) and Section XII. Ward will utilize Emission Control Devices to reduce odor emissions during production.
4	Drilling/Completion Operations	Visual Mitigation: Pursuant to Rule 804, the tank battery shall be painted in uniform, non-contrasting, non-reflective color tones with the colors matched to but slightly darker than the surrounding landscape. Light sources during all phases of operations will be directed downwards and away from occupied structures. Permanent lighting will be installed around the facility to allow both the operator and haulers to conduct safe operations at night. All lights will be directed down toward the location or shielded so no light pollution leaves the facility.
5	Drilling/Completion Operations	Closed Loop System: Closed Loop System will be used for drilling and fluid management. No reserve pit will be used.
6	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.
7	Drilling/Completion Operations	Green Completions: Emission Control Systems. Green Completions: Test separators and associated flow lines and sand traps shall be installed on-site to accommodate Green completion techniques pursuant to COGCC Rules. Ward will utilize ECDswith adequate capacity, will be flanged to route gas to other or permanent oxidizing equipment and shall be provided with the equipment needed to maintain combustions where noncombustible gases are present.
8	Drilling/Completion Operations	BOPE Testing: Upon initial rig-up and once every 30 days during drilling operations, pressure testing of the casing string and each component of the BOPE will be performed to 70% of working pressure or 70% of the internal yield of the casing, whichever is less.
9	Drilling/Completion Operations	BOPE for well servicing operations: Adequate blowout prevention equipment will be used on any servicing operations associated with this well. Backup stabbing valves shall be required on well servicing operations during reverse circulation. Valves will be pressure tested before each well servicing operation using both low-pressure and high-pressure fluid.
10	Drilling/Completion Operations	BOPE: Ward will utilize drilling rigs with a minimum of a double ram and annular preventer.
11	Drilling/Completion Operations	Drill Stem Tests: Drill Stem Tests are not anticipated for this location.
12	Drilling/Completion Operations	Pit Level Indicators: Pit Level Indicators will not be needed as no pits will be used on location.
13	Drilling/Completion Operations	Anti-Collision: Ward will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice will be given to all offset operators within 150 feet prior to drilling.

Total: 13 comment(s)

Attachment Check List

Att Doc Num	Name
401180743	OffsetWellEvaluations Data
401180744	DEVIATED DRILLING PLAN
401180745	WELL LOCATION PLAT
401180746	SURFACE AGRMT/SURETY
401180747	MINERAL LEASE MAP
401180748	WASTE MANAGEMENT PLAN
401181169	EXCEPTION LOC REQUEST
401181170	DIRECTIONAL DATA

Total Attach: 8 Files

General Comments

User Group	Comment	Comment Date
		Stamp Upon Approval

Total: 0 comment(s)

Public Comments

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