

**APPLICATION FOR PERMIT TO:**

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

Date Received:  
01/17/2017

TYPE OF WELL    OIL     GAS     COALBED     OTHER Pilot      Refilling

ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES       Sidetrack

Well Name: Carmelita Gallegos A      Well Number: 3

Name of Operator: BP AMERICA PRODUCTION COMPANY      COGCC Operator Number: 10000

Address: 380 AIRPORT RD

City: DURANGO      State: CO      Zip: 81303

Contact Name: Naomi Azulai      Phone: (970)375-7511      Fax: ( )

Email: naomi.azulai@bp.com

**RECLAMATION FINANCIAL ASSURANCE**

Plugging and Abandonment Bond Surety ID: 20010158

**WELL LOCATION INFORMATION**

QtrQtr: SWSE      Sec: 17      Twp: 32N      Rng: 5W      Meridian: N

Latitude: 37.013091      Longitude: -107.411816

Footage at Surface: 824 Feet      FNL/FSL      FSL      1602 Feet      FEL/FWL      FEL

Field Name: IGNACIO BLANCO      Field Number: 38300

Ground Elevation: 6144      County: ARCHULETA

GPS Data:  
Date of Measurement: 10/17/2016    PDOP Reading: 2.0    Instrument Operator's Name: CONNER MAHOSKEY

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

1308    FSL      1454    FEL      1324    FSL      1953    FEL

Sec: 17    Twp: 32N    Rng: 5W      Sec: 17    Twp: 32N    Rng: 5W

**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.)

T-32-N R--5-W, N.M.P.M. SEC 17: E/2SE/4, SE/4  
plus additional acreage

Total Acres in Described Lease: 1345 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: 1341 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 688 Feet  
Building Unit: 951 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 1667 Feet  
Above Ground Utility: 369 Feet  
Railroad: 5280 Feet  
Property Line: 300 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: 11/28/2016

## 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: 271 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1324 Feet (Enter 5280 for distance greater than 1 mile.)

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

## SPACING & FORMATIONS COMMENTS

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
FRUITLAND COAL	FRLDC	112-215	320	S/2

## DRILLING PROGRAM

Proposed Total Measured Depth: 3361 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: 70 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 608

## DRILLING WASTE MANAGEMENT PROGRAM

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

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

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
SURF	12+1/4	8+5/8	24	0	350	145	350	0
1ST	7+7/8	5+1/2	15.5	0	3361	365	3361	0

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 Anticollision analysis was completed for the entire well. BP will notify offset operator, Southland Royalty, prior to comencing drilling.

Only the pilot well will be fracture stimulated. The laterals of the well will not be stimulated.

The box in the Offset Well Evaluation tab has not been clicked because, though this well within 1500' of another well, this well is directional/ not horizontal and is therefore not subject to the Interim Statewide Horizontal Offset Policy.

The well proposed in this APD is projected to penetrate the Fruitland Coal at approximately 2800 feet. At that depth, the Southland Royalty Navajo Lake 32-05 16-2 well is 887 feet from the well proposed in this APD, and the Southland Royalty Navajo Lake 32-05 16-3 well is 573 feet from the well proposed in this APD, and the Southland Royalty Navajo Lake 32-05 16-1 well is 547 feet from the well proposed in this APD.

This application is in a Comprehensive Drilling Plan No CDP #: \_\_\_\_\_

Location ID: 320858

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: Naomi Azulai

Title: Well Permitting Analyst Date: 1/17/2017 Email: naomi.azulai@bp.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**

COA Type	Description

## Best Management Practices

No	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Open-hole resistivity and gamma-ray logs will be run from TD to the surface casing shoe and a Cement Bond Log will be run on production casing.
2	Drilling/Completion Operations	BP has performed 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 the proposed well and will provide notice to the offset operator (Southland) prior to drilling in compliance with Rule 317.r. (Statewide Wellbore Collision Prevention).

Total: 2 comment(s)

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401157612	FORM 2 SUBMITTED
401157635	WELL LOCATION PLAT
401157639	DEVIATED DRILLING PLAN
401157748	OTHER
401157749	DIRECTIONAL DATA
401157790	WELLBORE DIAGRAM

Total Attach: 6 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)

**Public Comments**

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

