

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:

401046278

APPLICATION FOR PERMIT TO:

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

Date Received:

06/13/2016

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____Refilling ☒ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: State La Plata 5-65 13-15

Well Number: 4AH

Name of Operator: CONOCO PHILLIPS COMPANY

COGCC Operator Number: 19160

Address: P O BOX 2197

City: HOUSTON

State: TX

Zip: 77252-2197

Contact Name: Larissa Farrell

Phone: (505)326-9504

Fax: (918)662-6259

Email: Larissa.L.Farrell@ConocoPhillips.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100227

WELL LOCATION INFORMATION

QtrQtr: SESW Sec: 13 Twp: 5S Rng: 65W Meridian: 6

Latitude: 39.612886

Longitude: -104.616806

Footage at Surface: 1280 Feet FNL/FSL FSL 1688 Feet FEL/FWL FWL

Field Name: WILDCAT

Field Number: 99999

Ground Elevation: 5897

County: ARAPAHOE

GPS Data:

Date of Measurement: 02/10/2016 PDOP Reading: 1.6 Instrument Operator's Name: Dallas Nielson

If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL FSL 1800 FWL 990 FSL 2480 FEL
 Sec: 13 Twp: 5S Rng: 65W Sec: 15 Twp: 5S Rng: 65W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☐ Fee ☒ State ☐ Federal ☐ IndianThe 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.)

Section 13, Township 5 South, Range 65 West thru Section 15, Township 5 South, Range 65 West and other lands.

Total Acres in Described Lease: 21109 Described Mineral Lease is: ☐ Fee ☒ State ☐ Federal ☐ Indian

Federal or State Lease # 1960.12

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 2905 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2281 Feet

Building Unit: 2281 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 5280 Feet

Above Ground Utility: 661 Feet

Railroad: 5280 Feet

Property Line: 1280 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: 310 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 836 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.)
NIOBRARA	NBRR	535-741	1600	All S15, 14; W2 S13

DRILLING PROGRAM

Proposed Total Measured Depth: 17965 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: _____ 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 609

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:

Drilling cuttings will be taken by a certified transport company and disposed of at a certified disposal.

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	24	16	39.7	0	100	50	100	0
SURF	13+1/2	9+5/8	36	0	2335	730	2335	0
1ST	8+3/4	5+1/2	23	0	17965	2260	17965	2335

☐ 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 Oil based drilling fluids will NOT be used when drilling the surface section. This is a refile for the State La Plata 1H. ConocoPhillips is changing the SHL, EPI and bottomhole. This will result in a well name change from State La Plata 1H to State La Plata 5-65 13-15 4AH. Attached is all the documentation needed to refile this application.

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

Location ID: 437846

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: Larissa Farrell

Title: Regulatory Technician Date: 6/13/2016 Email: Larissa.L.Farrell@ConocoPhillips

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:  _____ Director of COGCC Date: 2/9/2017

Expiration Date: 02/08/2019

API NUMBER

05 005 07228 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

	1) Bradenhead test shall be performed within 60 days of rig release and prior to stimulation. Test results shall be submitted on Form 17 within 10 days of test. 2) Bradenhead test shall be performed between 6 and 7 months after rig release and shall be submitted on Form 17 within 10 days of test. 3) Bradenhead test shall be performed within 30 days of First Production as reported on Form 5A and shall be submitted on Form 17 within 10 days of test.
	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 via Form 42 for all subsequent wells drilled on the pad. 2) Comply with Rule 317.j. and provide cement coverage from TD" to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

Best Management Practices

No BMP/COA Type

Description

1	Drilling/Completion Operations	It is the intent of the County that operators utilize closed-loop or modified closed-loop systems for drilling and completion operations in order to minimize or eliminate the need for earthen pits; however, notwithstanding the foregoing, where appropriate, and subject to prior County approval, the County generally supports: 1) the use of unlined drilling pits when bentonite or a similar clay additive is used during the drilling process, and 2) the use of lined single- or multi-well water storage pits in order to minimize the transport of water and promote recycling, subject to the requirements set forth in this subsection. Permitted modified closed-loop systems include oil and gas wells where air or fresh water is used to drill through the surface casing interval, defined as fifty (50) feet below the depth of the deepest aquifer, and a closed loop system is used for the remainder of the drilling and/or completion or recompletion procedures. Multi-well pits are defined as lined, engineered pits, constructed over an engineered base, with construction or liner specifications meeting or exceeding Commission pit lining rules, that will serve the functions of drilling, completion, and/or flowback pits for more than one well.
2	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.

Total: 2 comment(s)

Applicable Policies and Notices to Operators

Policy
Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401046278	FORM 2 SUBMITTED
401077403	DEVIATED DRILLING PLAN
401077406	DIRECTIONAL DATA
401081451	WELL LOCATION PLAT
401091893	LEGAL/LEASE DESCRIPTION

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete. No LGD or public comment received.	02/08/2017
Permit	Status Pending - Emailed State Land Board to verify Lease, Surface bonding, and Communitization Agreement; awaiting response. Update 2/8/2017 - State Land Board responded there is no objection to this well.	02/07/2017
Permit	Secondary Permitting review complete.	01/05/2017
Permit	With Operator consent, made the following corrections: - verified Cultural distances; - changed distance to nearest well in same formation from 3640 to 310; - deleted Docket #; added Spacing Order number, Unit Acreage & Unit Config; - deleted surface-related BMPs; - revised Open Hole Logging BMP; - added distance to nearest unit boundary.	01/04/2017
Permit	Status PENDING: waiting for Operator response to corrections needed: - Cultural distances are inconsistent with associated well 3DH APD and Form 2A. - Distance to nearest offset wellbore in same formation should be 310' (measured to 3DH well). - Distance to nearest unit boundary should be revised to center line of section 13, ~780'. - Need to delete Docket # comment. - Need to add Spacing Order #, unit acreage, and unit config. - Delete all surface-related BMPs.	12/28/2016
Permit	With Operator consent, deleted distance to nearest nonop well (1850') and checked box stating "no well belonging to another operator within 1500 feet". Initial Permitting review complete.	10/19/2016
Permit	Docket #1601000412 scheduled for October submitted by operator.	08/30/2016
Permit	Passes completeness.	08/22/2016
Permit	Returned to draft: --delete distance to unit; no unit has been formed --correct distance to nearest well permitted/producing; must be >1200' to be legal	08/14/2016
Permit	Returned to draft: -- Total acres in described lease (21109) does not match total acres in lease description document in scout card (21037) -- Missing required BMP for Rule 317.p Open Hole Logging -- Attached Deviated Drilling Plan needs to be labeled as such -- Missing operator comments on refile changes to previous Form 2	08/10/2016
Permit	Returned to draft: TPZ and SHL footages from west line switched? GR elevation should be whole number need distance to lease line need spacing order number or comment about application submitted for hearing or maybe this is being permitted on lease and doesn't need spacing order or distance to unit boundary? add Location ID#437846 nearest well permitted/producing should be measured to API 005-07228 directional data template should have whole numbers for TVD's and have header info completed. See guidance on website.	06/14/2016

Total: 11 comment(s)