

**APPLICATION FOR PERMIT TO:**

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

TYPE OF WELL    OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____	Refiling <input type="checkbox"/>
ZONE TYPE    SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONES <input checked="" type="checkbox"/> COMMINGLE ZONES <input checked="" type="checkbox"/>	Sidetrack <input checked="" type="checkbox"/>

Date Received:  
03/23/2017

Well Name: CHEVRON      Well Number: TR 334-27-597

Name of Operator: TEP ROCKY MOUNTAIN LLC      COGCC Operator Number: 96850

Address: PO BOX 370

City: PARACHUTE      State: CO      Zip: 81635

Contact Name: VICKI SCHOEBER      Phone: (970)263-2721      Fax: ( )

Email: VSCHOEBER@TERRAEP.COM

**RECLAMATION FINANCIAL ASSURANCE**  
Plugging and Abandonment Bond Surety ID: 20160057

**WELL LOCATION INFORMATION**

QtrQtr: SESE      Sec: 27      Twp: 5S      Rng: 97W      Meridian: 6

Latitude: 39.577965      Longitude: -108.255814

Footage at Surface: <u>200</u> Feet	FNL/FSL	FEL/FWL
<u>FSL</u> <u>257</u> Feet	<u>FEL</u>	

Field Name: TRAIL RIDGE      Field Number: 83825

Ground Elevation: 8452      County: GARFIELD

GPS Data:  
Date of Measurement: 09/12/2014    PDOP Reading: 2.5    Instrument Operator's Name: J. KIRKPATRICK

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
<u>876</u> <u>FSL</u> <u>2268</u> <u>FEL</u>	<u>876</u> <u>FSL</u> <u>2268</u> <u>FEL</u>		
Sec: <u>27</u> Twp: <u>5S</u> Rng: <u>97W</u>	Sec: <u>27</u> Twp: <u>5S</u> Rng: <u>97W</u>		

**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.)

LEASE MAP IS IN THE FILE.

Total Acres in Described Lease: 20658 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: 5280 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 5280 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 5280 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 257 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: 453 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary \_\_\_\_\_ 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.)
ILES	ILES	510-44		
SEGO	SEGO			
WILLIAMS FORK	WMFK	510-17		

## DRILLING PROGRAM

Proposed Total Measured Depth: 9902 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 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: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Cuttings trench

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
CONDUCTOR	26	18	48	0	60	100	60	0
SURF	14+3/4	9+5/8	36 & 40	0	2799	1000	2799	0
1ST	8+3/4	4+1/2	11.6	0	9892	1057	9892	4558

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

Operations Summary:  
Hole depth was 8899'. During a wiper trip hole appeared bridge off and while reaming we cut a second well bore and inadvertently sidetracked at 4800'. First survey at bit depth 4800' (survey depth 4729') showed 0.11° separation from original well in the vertical plane (inclination), and 0.63° in the horizontal plane (azimuth). After a lengthy attempt to re-enter the old well bore it was apparent that wellbore bridged off.

The decision was made to drill ahead per a verbal from David Andrews with COGCC.  
SHL and BHL locations remain the same.  
No cement plugs were set.  
KOP is at 4800'.  
No anti-collision potential.  
Currently drilling ahead at 8390'.  
Will be TD at 9902' and landing casing at 9892'.

The proposed objective formations will remain the same.

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

Location ID:       324417      

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:       VICKI SCHOEBER      

Title:       REGULATORY SPECIALIST       Date:       3/23/2017       Email:       VSCHOEBER@TERRAEP.CO      

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:       3/24/2017      

Expiration Date:       03/23/2019      

**API NUMBER**  
05 045 23333 01

## 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

	<p>1)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice. 2)Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: All field notice requirements specified in that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1). 3)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to 200' above the Wasatch G. Isolation is required for offset Wasatch G Sand production. Verify production casing cement coverage with a cement bond log.</p>
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## Best Management Practices

### No BMP/COA Type

### Description

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## Applicable Policies and Notices to Operators

Policy
<p>Notice Concerning Operating Requirements for Wildlife Protection.  <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></p>

## Attachment Check List

### Att Doc Num

### Name

401241755	FORM 2 SUBMITTED
401241776	CORRESPONDENCE
401241800	WELLBORE DIAGRAM

Total Attach: 3 Files

## General Comments

### User Group

### Comment

### Comment Date

Permit	<p>Passes final review.                  Passes initial review.                  Removed the duplicate attachments.                  The Deviated Drilling Plan, Well Location Plat, &amp; Directional Data are not required as the projected BHL was not changed from the originally approved Form 2#401090396.                  Added the comment "The proposed objective formations will remain the same." to the Submit tab per guidance requirement.</p>	03/24/2017
Permit	<p>Passes completeness. Unplanned sidetrack.                  LGD and public comment periods waived by COGCC Staff. Comment periods do not apply to this application for an unplanned sidetrack when drilling is in progress.</p>	03/24/2017

Total: 2 comment(s)