

**APPLICATION FOR PERMIT TO:**

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

TYPE OF WELL    OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ ZONE TYPE       SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>
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Date Received:  
04/12/2017

Well Name: State Bierstadt 4-65 35-34      Well Number: 1DH

Name of Operator: CONOCO PHILLIPS COMPANY      COGCC Operator Number: 19160

Address: P O BOX 2197  
 City: HOUSTON      State: TX      Zip: 77252-2197

Contact Name: Jennifer Dixon      Phone: (701)264-4041      Fax: ( )  
 Email: jennifer.a.smith@ConocoPhillips.com

**RECLAMATION FINANCIAL ASSURANCE**  
 Plugging and Abandonment Bond Surety ID: 20100227

**WELL LOCATION INFORMATION**

QtrQtr: NENE      Sec: 35      Twp: 4S      Rng: 65W      Meridian: 6  
 Latitude: 39.663886      Longitude: -104.624592

Footage at Surface:      Feet      FNL/FSL      Feet      FEL/FWL  
1250      Feet      FNL      650      Feet      FEL

Field Name: WILDCAT      Field Number: 99999

Ground Elevation: 5874      County: ARAPAHOE

GPS Data:  
 Date of Measurement: 02/06/2017    PDOP Reading: 1.3    Instrument Operator's Name: Chad Meiers

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>1049</u>	<u>FNL</u>	<u>935</u>	<u>1049</u>	<u>FNL</u>	<u>1140</u>
	<u>FEL</u>			<u>FEL</u>	<u>FWL</u>
Sec: <u>35</u>	Twp: <u>4s</u>	Rng: <u>65w</u>	Sec: <u>34</u>	Twp: <u>4s</u>	Rng: <u>65w</u>

**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.)

Section 34: ALL except North 30 feet, Section 35: ALL except North 30 feet.

Total Acres in Described Lease: 1273 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: 1019 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 1651 Feet

Building Unit: 2480 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 1240 Feet

Above Ground Utility: 1275 Feet

Railroad: 5280 Feet

Property Line: 650 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: 150 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 935 Feet (Enter 5280 for distance greater than 1 mile.)

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

**SPACING & FORMATIONS COMMENTS**

Sec 35 All; Sec 34 All less a 1.9-acre tract.

**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	535-779	1278	Sec 34 & 35

## DRILLING PROGRAM

Proposed Total Measured Depth: 16846 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: 640 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? 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 facility.

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	65	0	100	50	100	0
SURF	12+1/4	9+5/8	36	0	2277	620	2277	0
1ST	8+1/2	5+1/2	23	0	16845	2040	16845	2277

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

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: Jennifer Dixon

Title: Regulatory Coordinator Date: 4/12/2017 Email: jennifer.a.smith@ConocoPhillip

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: 7/23/2017

Expiration Date: 07/22/2019

**API NUMBER**  
05 005 07295 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.

<u>COA Type</u>	<u>Description</u>
	Operator acknowledges the proximity of the listed non-operated wells. Operator assures that this offset list will be remediated per the DJ Basin Horizontal Offset Policy (option 4). Operator will submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating that appropriate mitigation will be completed, during the hydraulic stimulation of this well. This Form 42 shall be filed 48 hours prior to stimulation. Operator will assure that the stimulation plan is revised to reduce stimulation job size and rate within 1,500' of the abandoned vertical well in order to reduce the frac half-length and therefore the potential effects on the Sunstate #1. 005-06575
	Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test: 1) Within 60 days of rig release, prior to stimulation. 2) 6 months after rig release, prior to stimulation. 3) Within 30 days of first production, as reported on Form 5A.
	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

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	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: 1 comment(s)

## Applicable Policies and Notices to Operators

Policy
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>

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401250066	FORM 2 SUBMITTED
401250469	WELL LOCATION PLAT
401250471	DEVIATED DRILLING PLAN
401256575	DIRECTIONAL DATA

Total Attach: 4 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Final Review	Engineer comment, "offset well evaluation spreadsheet incomplete" addressed with Condition of Approval #4.	07/23/2017
Permit	Final review complete. No LGD or public comment received.	07/21/2017
Permit	State Land Board has been contacted to verify surface restoration bond and/or lease; SLB confirms there is no objection to this permit application.	07/21/2017
Engineer	offset well evaluation incomplete - existing well within 1500'	07/21/2017
Permit	Initial permitting review complete.	06/21/2017
Permit	Status Active - corrections made with Operator concurrence: - changed TPZ from 1250' to 1049' FNL. - changed Mineral Owner from Fee to State. - omitted incorrect language in lease info. - changed distance to lease line from 1049' to 1019' to account for 30' difference between lease line and north section line. - changed distance to nearest wellbore in same formation from 2890' to 150'. - changed distance to nearest unit boundary from 1216 to 935'. - added spacing comment for clarity. - revised unit acreage from 1280 to 1278 acres. - changed distance to nearest nonop well to 640' and unchecked box for "no well belonging to another operator within 1500 feet". - revised open hole logging BMP.	06/21/2017
Permit	Status Pending - contacted Operator for the following corrections: - revise Top of Producing Zone from 1250' to 1049' FNL. - verify Mineral Owner is FEE (should be STATE?). - lease info statement regarding SHL is incorrect. - distance to lease line is incorrect; should be ~1019'. - distance to nearest wellbore in same formation is incorrect; should be measured to State Bierstadt 4-65 34-35 1CH. - distance to unit boundary is incorrect; should be 935' as inferred on attached well location plat. - spacing comment should note the unit is all S34, less 1.9-acres. - unit acreage should be revised from 1280 to 1278-acres per spacing order. - distance do nearest nonop well should be measured to Bobcat Oil's Sun State-1. - Open Hole Logging BMP should be revised to use preferred language for multiple horizontals on a single pad.	06/20/2017
Permit	Updated Operator contact and submitter information per Operator request.	06/20/2017
Permit	Passed Completeness	04/19/2017

Total: 9 comment(s)