

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:
401342540
(SUBMITTED)

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:

TYPE OF WELL OIL GAS COALBED OTHER _____ Refilling
ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Well Name: FEDERAL Well Number: PA 312-26
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: _____

WELL LOCATION INFORMATION

QtrQtr: NESW Sec: 26 Twp: 6S Rng: 95W Meridian: 6
Latitude: 39.494325 Longitude: -107.966991
Footage at Surface: 2116 Feet FNL/FSL FSL 2386 Feet FEL/FWL FWL
Field Name: PARACHUTE Field Number: 67350
Ground Elevation: 5637 County: GARFIELD
GPS Data:
Date of Measurement: 04/12/2012 PDOP Reading: 1.0 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 FNL 712 FWL Bottom Hole: FNL/FSL FNL 712 FWL
1934 FNL 712 FWL 1934 FNL 712 FWL
Sec: 26 Twp: 6S Rng: 95W Sec: 26 Twp: 6S Rng: 95W

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.)

T6S-R95W:

Section 20: Lots 1, 4-9, NENE, S2NE, N2SE

Section 21: Lots 1-4, N2, N2S2

Section 26: Lots 3-6, N2SW

Section 27: Lots 1-8, N2S2, SESE

Section 28: Lots 1-4, W2W2, N2SE

Total Acres in Described Lease: 2299 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # COC 062161

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 1934 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4125 Feet

Building Unit: 4125 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 3378 Feet

Above Ground Utility: 3239 Feet

Railroad: 3802 Feet

Property Line: 791 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: 345 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 712 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

CA COC 066630 - W2 of Section 26; Top of WMKF to base of WMFK

OBJECTIVE FORMATIONS

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| WILLIAMS FORK | WMFK | 440-25 | 320 | W2 of Sec. 26 |

DRILLING PROGRAM

Proposed Total Measured Depth: 8818 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? 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: Other

Other Disposal Description:

Cuttings management area on pad.

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 | 47.4 | 0 | 80 | 134 | 80 | 0 |
| SURF | 13+1/2 | 9+5/8 | 36 | 0 | 1100 | 266 | 1100 | 0 |
| 1ST | 8+3/4 | 4+1/2 | 11.6 | 0 | 8818 | 1170 | 8818 | 2419 |

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: 335330

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: VICKI SCHOEBER

Title: REGULATORY SPECIALIST Date: _____ Email: VSCHOEBER@TERRAEP.CO

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

| <u>COA Type</u> | <u>Description</u> |
|-----------------|--------------------|
| | |

Best Management Practices

No BMP/COA Type

Description

| <u>No BMP/COA Type</u> | <u>Description</u> |
|----------------------------------|--|
| 1 Drilling/Completion Operations | To meet Rule 317.p open-hole logging requirements on the PA 23-26 multi well pad, TEP will use logs from the existing Federal PA 23-26 well (API # 05-045-08074). A CBL will be run through production casing on all new wells. The Form 5 Completion Report will list all logs run for each well. |

Total: 1 comment(s)

Attachment Check List

| Att Doc Num | Name |
|--------------------|------------------------|
| 401362489 | WELL LOCATION PLAT |
| 401362497 | DIRECTIONAL DATA |
| 401362501 | DEVIATED DRILLING PLAN |
| 401362502 | DEVIATED DRILLING PLAN |
| 401373296 | FED. DRILLING PERMIT |

Total Attach: 5 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.

