

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:
401341792

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

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

Refiling
Sidetrack

Date Received:
08/18/2017

Well Name: Janet 0780 Well Number: 3-16H21
Name of Operator: SANDRIDGE EXPLORATION & PRODUCTION LLC COGCC Operator Number: 10598
Address: 123 ROBERT S KERR AVE
City: OKLAHOMA CITY State: OK Zip: 73102
Contact Name: Kim Rodell Phone: (303)942-0506 Fax: ()
Email: krodell@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20170015

WELL LOCATION INFORMATION

QtrQtr: NWNW Sec: 16 Twp: 7N Rng: 80W Meridian: 6
Latitude: 40.584230 Longitude: -106.387340

Footage at Surface: 174 Feet FNL 189 Feet FWL

Field Name: WILDCAT Field Number: 99999

Ground Elevation: 8127 County: JACKSON

GPS Data:
Date of Measurement: 07/05/2017 PDOP Reading: 1.8 Instrument Operator's Name: Randall R. Miller

If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: 732 FNL 1618 FWL Bottom Hole: 100 FSL 1668 FWL
Sec: 16 Twp: 7N Rng: 80W Sec: 21 Twp: 7N Rng: 80W

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: Surface Use Agreement

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.)

T7N R80W Sec. 16: All; Sec. 21: N2, N2S2, S2SW

Total Acres in Described Lease: 1200 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: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 220 Feet

Building Unit: 4305 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 5280 Feet

Above Ground Utility: 372 Feet

Railroad: 5280 Feet

Property Line: 2469 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 100 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 | 531-38 | 1280 | Secs. 16 & 21: All |

DRILLING PROGRAM

Proposed Total Measured Depth: 18043 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: Commercial Disposal

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 |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 26 | 16+1/4 | 65 | 0 | 90 | 189 | 90 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 2400 | 629 | 2400 | 0 |
| 1ST | 8+3/4 | 5+1/2 | 20 | 0 | 18043 | 3060 | 18043 | |

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 The distance to the nearest well completed or permitted in the same formation was taken from the proposed SandRidge Gregory 0780 3-9H (API No. 05-057-06574). This permit is being submitted with a revised Oil and Gas Location Assessment.

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

Location ID: 439603

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: Kim Rodell

Title: Permit Agent Date: 8/18/2017 Email: krodell@upstreampm.com

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: 9/26/2017

Expiration Date: 09/25/2019

| |
|-------------------|
| API NUMBER |
| 05 057 06606 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) Operator shall comply with the most current revision of the Northwest Notification Policy. |
| | 2) Operator shall provide cement coverage from the production casing shoe (5 1/2" First String) to a minimum of 200' above the surface casing shoe to provide full isolation of the Coalmont Formation. Verify production casing cement coverage with a cement bond log. |

Best Management Practices

| No | BMP/COA Type | Description |
|-----------|--------------------------------|--|
| 1 | Drilling/Completion Operations | The first well on this pad, Gregory 0780 1-9H, API No. 05-057-06539, was logged with open-hole Resistivity Log and Gamma Ray Log from the kick-off point into the surface casing. All subsequent wells drilled on the pad will have a cement bond log with gamma-ray run on the 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 wells without open-hole logs shall clearly state "No open-hole logs were run" and shall clearly identify Gregory 0780 1-9H, API No. 05-057-06539 in which open-hole logs were run. |

Total: 1 comment(s)

Applicable Policies and Notices to Operators

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|--|
| Policy |
| NW Colorado Notification Policy. http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf |
| Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf |

Attachment Check List

| Att Doc Num | Name |
|--------------------|----------------------------|
| 401341792 | FORM 2 SUBMITTED |
| 401376085 | DIRECTIONAL DATA |
| 401376089 | DEVIATED DRILLING PLAN |
| 401376091 | WELL LOCATION PLAT |
| 401376092 | SURFACE AGRMT/SURETY |
| 401380301 | OffsetWellEvaluations Data |
| 401413640 | OFFSET WELL EVALUATION |

Total Attach: 7 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|---------------------|
| Permit | <p>Other wellbores running along similar path are at 8252' depth and a different bench from this well.</p> <p>Corrected the logging BMP as revised by operator.</p> <p>Corrected spacing order from 531-23 to 531-38 with operator approval.</p> <p>Inserted correct location ID in submit pad with operator approval.</p> <p>Distance to nearest well in same formation is 150' at the curve portion (TOPZ) of each well.</p> <p>Final review complete.</p> | 09/21/2017 |
| Engineer | <p>Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information was used in addition to locally-available geophysical logs and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 150 feet.</p> <p>The Coalmont Formation is considered a potential freshwater resource in the North Park Basin (CGS Ground Water Atlas of Colorado, 2003). The proposed surface casing setting depth of 2000' will not cover the entire Coalmont Formation, based on offset wells to the east. Minimum cement isolation standards are specified in Condition of Approval #2.</p> <p>Offset Well Evaluation: Existing offset oil and gas wells within 1,500 feet of this wellbore meet standards. No mitigation required.</p> <p>This well is planned in a higher bench of the Niobrara than the wells on the RAY RANCH 0780 16 location. The Ray Ranch and Evans wells are planned in a bench at a total vertical depth of about 8250' and this well is planned in a higher bench at a total vertical depth of 7500'. Surface elevations of the locations are within 10 feet of each other.</p> <p>Emailed operator to see if a closed loop drilling system is planned. Per operator selected closed loop drilling system will be used.</p> | 09/18/2017 |
| Permit | Passed Completeness. | 08/25/2017 |

Total: 3 comment(s)