

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:

401406542

APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____

Refiling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Date Received:

09/25/2017

Well Name: Marr 0780 Well Number: 4-6H31
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: Spence Laird Phone: (405)429-6518 Fax: ()
Email: slaird@sandridgeenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20170015

WELL LOCATION INFORMATION

QtrQtr: NWNE Sec: 7 Twp: 7N Rng: 80W Meridian: 6

Latitude: 40.598475 Longitude: -106.415564

Footage at Surface: 359 Feet FNL/FSL FNL 2388 Feet FEL/FWL FEL

Field Name: WILDCAT Field Number: 99999

Ground Elevation: 8130 County: JACKSON

GPS Data:

Date of Measurement: 07/03/2017 PDOP Reading: 1.2 Instrument Operator's Name: C.M., G.W.

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
100 FSL 2220 FWL 100 FNL 2253 FWL
Sec: 6 Twp: 7N Rng: 80W Sec: 31 Twp: 8N 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: 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.)

See attached lease map.

Total Acres in Described Lease: 8145 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: 100 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2182 Feet
Building Unit: 2237 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1675 Feet
Above Ground Utility: 2266 Feet
Railroad: 5280 Feet
Property Line: 359 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: 650 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	531-46	1280	Sec. 6 & Sec. 31

DRILLING PROGRAM

Proposed Total Measured Depth: 17687 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: 1164 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:

Surface casing will be drilled with water based mud, surface cuttings, if passing COGCC rule 910 levels, may be reused beneficially. All other sections drilled will use oil based mud and those cuttings will be disposed of at commercial site.

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	16+1/4	42	0	90	190	90	0
SURF	12+1/4	9+5/8	36	0	2200	535	2200	0
1ST	8+3/4	5+1/2	20	0	17687	3010	17687	

☐ 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 Distance from completed portion of the proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation was measured to the proposed Marr 0780 5-6H31, to be operated by SandRidge. Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged well was measured to the Peterson 1, API No. 05-057-06195, operated by Saket Petroleum Corporation.

The cultural distances vary from the approved Form 2A, Location ID 413754, because a well was previously drilled on the wellpad. The cultural distanced in this filing are the updated distances from this well.

Please contact the undersigned with any questions or concerns regarding this APD.

Thank you.

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

Location ID: 413754

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: Kimberly Rodell

Title: Permit Agent Date: 9/25/2017 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:  Director of COGCC Date: 11/5/2017

Expiration Date: 11/04/2019

API NUMBER

05 057 06607 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 shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017).
	If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016, revised October 6, 2016). (Drilling & Completion.
	Operator acknowledges the proximity of the Hebron #2-07H (057-06499) well. Operator agrees to: provide mitigation option 4 to include: The Operator shall monitor the bradenhead pressure of the proposed well and well Hebron #2-07H (057-06499). Monitoring shall occur from 24 hours prior to stimulation and shall continue until 24 hours after stimulation is complete. Recording shall be at a frequency of at least once per 24 hours with the capability of recording the maximum pressure observed during each 24 hour period. Operator shall notify COGCC Engineering staff if bradenhead pressures increase by more than 200 psig.
	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

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	The first well on this wellpad was logged with an 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. The Hebron 02-07H, API No. 05-057-06499, was previously drilled and open-hole logs were run in this well".

Total: 1 comment(s)

Applicable Policies and Notices to Operators

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

<u>Att Doc Num</u>	<u>Name</u>
401406542	FORM 2 SUBMITTED
401407352	DIRECTIONAL DATA
401407353	WELL LOCATION PLAT
401407356	DEVIATED DRILLING PLAN
401412406	OffsetWellEvaluations Data
401412408	LEASE MAP

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	11/01/2017
Permit	This is a planned additional well on the pad. No change in waste management program. Preliminary review complete.	10/13/2017
Engineer	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 140 feet. 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 2500' will not cover the entire Coalmont Formation, based on the operator's drilling prognosis in the drilling plan. Minimum cement isolation standards are specified in Condition of Approval #2. Offset well evaluation. Reviewed offset well DA well Peterson #1 API # 057-06195. Shallow offset. Meets standards for offset Niobrara stimulation.	10/10/2017
Permit	Passed Completeness.	10/02/2017

Total: 4 comment(s)