

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: 401303990 (REJECTED) Date Received: 06/21/2017																																						
APPLICATION FOR PERMIT TO:																																									
<input checked="" type="checkbox"/> Drill <input type="checkbox"/> Deepen <input type="checkbox"/> Re-enter <input type="checkbox"/> Recomplete and Operate																																									
TYPE OF WELL OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____		Refiling <input type="checkbox"/>																																							
ZONE TYPE SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>		Sidetrack <input type="checkbox"/>																																							
Well Name: <u>Rael</u>		Well Number: <u>34-4-6HC</u>																																							
Name of Operator: <u>WARD PETROLEUM CORPORATION</u>		COGCC Operator Number: <u>10359</u>																																							
Address: <u>215 WEST OAK STREET #1000</u>																																									
City: <u>FORT COLLINS</u>		State: <u>CO</u>	Zip: <u>80521</u>																																						
Contact Name: <u>Andrea Gross</u>		Phone: <u>(303)942-0506</u>	Fax: <u>()</u>																																						
Email: <u>agross@upstreampm.com</u>																																									
RECLAMATION FINANCIAL ASSURANCE Plugging and Abandonment Bond Surety ID: <u>20100221</u>																																									
WELL LOCATION INFORMATION QtrQtr: <u>SWSW</u> Sec: <u>27</u> Twp: <u>1N</u> Rng: <u>66W</u> Meridian: <u>6</u> Latitude: <u>40.015840</u> Longitude: <u>-104.771370</u> <table style="width:100%; border: none;"> <tr> <td style="text-align: center;">Footage at Surface:</td> <td style="text-align: center;"><u>320</u></td> <td style="text-align: center;">Feet</td> <td style="text-align: center;">FNL/FSL</td> <td style="text-align: center;"><u>372</u></td> <td style="text-align: center;">Feet</td> <td style="text-align: center;">FEL/FWL</td> </tr> <tr> <td></td> <td style="text-align: center;">FSL</td> <td></td> <td></td> <td style="text-align: center;">FWL</td> <td></td> <td></td> </tr> </table> Field Name: <u>WATTENBERG</u> Field Number: <u>90750</u> Ground Elevation: <u>5119</u> County: <u>WELD</u> GPS Data: Date of Measurement: <u>02/08/2016</u> PDOP Reading: <u>1.2</u> Instrument Operator's Name: <u>Scott Estabrooks</u> If well is <input type="checkbox"/> Directional <input checked="" type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. <table style="width:100%; border: none;"> <tr> <td style="text-align: center;">Footage at Top of Prod Zone:</td> <td style="text-align: center;">FNL/FSL</td> <td style="text-align: center;">FEL/FWL</td> <td style="text-align: center;">Bottom Hole:</td> <td style="text-align: center;">FNL/FSL</td> <td style="text-align: center;">FEL/FWL</td> </tr> <tr> <td style="text-align: center;"><u>1826</u></td> <td style="text-align: center;">FNL</td> <td style="text-align: center;"><u>460</u></td> <td style="text-align: center;"><u>1826</u></td> <td style="text-align: center;">FNL</td> <td style="text-align: center;"><u>460</u></td> </tr> <tr> <td></td> <td style="text-align: center;">FWL</td> <td></td> <td></td> <td style="text-align: center;">FEL</td> <td></td> </tr> <tr> <td style="text-align: center;">Sec: <u>34</u></td> <td style="text-align: center;">Twp: <u>1N</u></td> <td style="text-align: center;">Rng: <u>66W</u></td> <td style="text-align: center;">Sec: <u>34</u></td> <td style="text-align: center;">Twp: <u>1N</u></td> <td style="text-align: center;">Rng: <u>66W</u></td> </tr> </table>				Footage at Surface:	<u>320</u>	Feet	FNL/FSL	<u>372</u>	Feet	FEL/FWL		FSL			FWL			Footage at Top of Prod Zone:	FNL/FSL	FEL/FWL	Bottom Hole:	FNL/FSL	FEL/FWL	<u>1826</u>	FNL	<u>460</u>	<u>1826</u>	FNL	<u>460</u>		FWL			FEL		Sec: <u>34</u>	Twp: <u>1N</u>	Rng: <u>66W</u>	Sec: <u>34</u>	Twp: <u>1N</u>	Rng: <u>66W</u>
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LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT Surface Ownership: <input checked="" type="checkbox"/> Fee <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> Indian The Surface Owner is: <input type="checkbox"/> is the mineral owner beneath the location. (check all that apply) <input type="checkbox"/> is committed to an Oil and Gas Lease. <input type="checkbox"/> has signed the Oil and Gas Lease. <input type="checkbox"/> is the applicant. The Mineral Owner beneath this Oil and Gas Location is: <input checked="" type="checkbox"/> Fee <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> Indian The Minerals beneath this Oil and Gas Location will be developed by this Well: <u>No</u> The right to construct the Oil and Gas Location is granted by: <u>Surface Use Agreement</u> 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.)

T1N R66W Sec. 34: NW

Total Acres in Described Lease: 160 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: 707 Feet
 Building Unit: 617 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 306 Feet
 Above Ground Utility: 291 Feet
 Railroad: 5280 Feet
 Property Line: 320 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: 01/30/2016

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: 335 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 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.)
CODELL	CODL	407-1316	320	N2

DRILLING PROGRAM

Proposed Total Measured Depth: 12704 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: 169 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 318A

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
SURF	13+1/2	9+5/8	36	0	1500	787	1500	0
1ST	8+3/4	5+1/2	20	0	12704	1640	12704	

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 location has already been built and one well has been drilled from the pad. The distance to the nearest well completed or permitted in the same formation was measured to the proposed Ward Petroleum Rael 34-4-5HN. The distance to the nearest well belonging to another operator was measured to the Plugged and Abandoned Willard, John W. Gas Unit 1, API No. 05-123-08168, owned by Amoco Production Company. The Exception Location Waiver is stated within the Surface Use Agreement on Page 4, Section 22.

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

Location ID: 446251

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: Andrea Gross

Title: Permit Agent Date: 6/21/2017 Email: agross@upstreampm.com

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

COA Type	Description

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Logging: One of the existing wells on this pad has been logged with open-hole Resistivity Log and Gamma Ray Log from the kick-off point into the surface casing. All remaining seven (7) proposed wells 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.
2	Drilling/Completion Operations	BOPE Testing: Upon initial rig-up and once every 30 days during drilling operations, pressure testing of the casing string and each component of the BOPE will be performed to 70% of working pressure or 70% of the internal yield of the casing, whichever is less.
3	Drilling/Completion Operations	BOPE for well servicing operations: Adequate blowout prevention equipment will be used on any servicing operations associated with this well. Backup stabbing valves shall be required on well servicing operations during reverse circulation. Valves will be pressure tested before each well servicing operation using both low-pressure and high-pressure fluid.
4	Drilling/Completion Operations	BOPE: Ward will utilize drilling rigs with a minimum of a double ram and annular preventer.
5	Drilling/Completion Operations	Anti-Collision: Ward will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice will be given to all offset operators within 150 feet prior to drilling.
6	Underground Injection Control	Operator acknowledges and will comply with COGCC policy for Bradenhead Monitoring during Hydraulic fracturing treatments in the Greater Wattenberg Area dated May 29, 2012.

Total: 6 comment(s)

Applicable Policies and Notices to Operators

Policy
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
401303990	FORM 2 SUBMITTED
401304042	DIRECTIONAL DATA
401304048	DEVIATED DRILLING PLAN
401304049	WELL LOCATION PLAT
401304051	SURFACE AGRMT/SURETY
401315068	OffsetWellEvaluations Data
401315073	EXCEPTION LOC REQUEST

Total Attach: 7 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.

REJECTED