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| 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: 401655832 (SUBMITTED) Date Received: |
| 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: STATE MASSIVE 5-65 2-3 | | Well Number: 2AH | |
| 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: (832)486-3345 Fax: () | |
| Email: jennifer.a.dixon@cop.com | | | |
| RECLAMATION FINANCIAL ASSURANCE | | | |
| Plugging and Abandonment Bond Surety ID: 20100227 | | | |
| WELL LOCATION INFORMATION | | | |
| QtrQtr: SENE Sec: 2 Twp: 5S | | Rng: 65W Meridian: 6 | |
| Latitude: 39.647654 | | Longitude: -104.623836 | |
| Footage at Surface: 1885 Feet | | FNL/FSL FEL/FWL FNL 375 Feet FEL | |
| Field Name: DJ HORIZONTAL NIOBRARA | | Field Number: 16950 | |
| Ground Elevation: 5828 | | County: ARAPAHOE | |
| GPS Data: | | | |
| Date of Measurement: 03/22/2018 | | PDOP Reading: 1.6 Instrument Operator's Name: CHAD MEIERS | |
| If well is <input type="checkbox"/> Directional <input checked="" type="checkbox"/> Horizontal (highly deviated) submit deviated drilling plan. | | | |
| Footage at Top of Prod Zone: | | Bottom Hole: | |
| 1684 FNL 460 FEL | | 1684 FNL 325 FWL | |
| Sec: 2 Twp: 5S Rng: 65W | | Sec: 3 Twp: 5S Rng: 65W | |
| LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT | | | |
| Surface Ownership: <input type="checkbox"/> Fee <input checked="" type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> Indian | | | |
| The Surface Owner is: <input checked="" type="checkbox"/> is the mineral owner beneath the location. | | | |
| (check all that apply) <input checked="" type="checkbox"/> is committed to an Oil and Gas Lease. | | | |
| <input checked="" 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 type="checkbox"/> Fee <input checked="" 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: 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.)

All of Sections 2 and 3, T5S R65W

Total Acres in Described Lease: 1280 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: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 5280 Feet
Above Ground Utility: 336 Feet
Railroad: 5280 Feet
Property Line: 375 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: 240 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

Nearest wellbore is the State Massive 5-65 2-3 1BH (Doc# 401655799) operated by ConocoPhillips (19160)
Increased Density is pending Docket #180700552

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 | | 1280 | Sec 2 & 3 All |

DRILLING PROGRAM

Proposed Total Measured Depth: 18128 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: 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 | | 100 | 0 |
| SURF | 13+1/2 | 9+5/8 | 36 | 0 | 2263 | 730 | 2263 | 0 |
| 1ST | 8+1/2 | 5+1/2 | 23 | 0 | 18128 | 2460 | 18128 | 2263 |

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 well has a bottom-hole location beyond the unit boundary setback. The bottom of the completed interval will be within the unit boundary setback at 1684' FNL and 460' FWL of Section 3. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

The nearest wellbore (existing or proposed) in the Niobrara formation is the State Massive 5-65 2-3 1BH (Doc# 401655799) approximately 317" from the above named proposed wellbore.

The nearest non-operated wellbore (proposed) is the Titan Federal 5-65 8A-4-1 (Document# 401355510) operated by Bison Exploration approximately 2899' away from the above named proposed wellbore.

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: _____ Email: jennifer.a.dixon@cop.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

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

Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u> | <u>Description</u> |
|-----------|--------------------------------|--|
| 1 | Drilling/Completion Operations | If a skid is performed for the subject well, then the only required BOPE tests will be for any broken BOPE connections, as long as a full BOPE test was performed at the beginning of the pad, and as long as all necessary BOPE tests are completed at least every 21 days during the pad operations. |
| 2 | Drilling/Completion Operations | Open-hole Resistivity Log with Gamma Ray Log will be run from the kick-off point into the surface casing on one of the first wells drilled. A Cement Bond Log with Gamma-Ray will be run on production casing, or on intermediate casing if a production liner is run. The horizontal portion of the wellbore will be logged with a measured-while-drilling gamma-ray log. The Form 5, Completion Report, will list all logs run and have those logs attached. |

Total: 2 comment(s)

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|------------------------|
| 401656222 | WELL LOCATION PLAT |
| 401659479 | DEVIATED DRILLING PLAN |
| 401659480 | DIRECTIONAL DATA |

Total Attach: 3 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | Stamp Upon Approval |

Total: 0 comment(s)

Public Comments

No public comments were received on this application during the comment period.

