

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



DE	ET	OE	ES
Document Number: 401648389			
Date Received: 07/17/2018			

SUNDRY NOTICE

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number: <u>10670</u>	Contact Name <u>Erin Mathews</u>
Name of Operator: <u>MALLARD EXPLORATION LLC</u>	Phone: <u>(720) 543-7959</u>
Address: <u>1400 16TH STREET SUITE 300</u>	Fax: <u>()</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>	Email: <u>emathews@mallardexploration.com</u>

Complete the Attachment
Checklist

OP OGCC

API Number : 05- <u>123</u> <u>46650</u> <u>00</u>	OGCC Facility ID Number: <u>454604</u>
Well/Facility Name: <u>Cinnamon Teal</u>	Well/Facility Number: <u>35-16HN</u>
Location QtrQtr: <u>SESW</u> Section: <u>35</u> Township: <u>8N</u> Range: <u>60W</u> Meridian: <u>6</u>	
County: <u>WELD</u> Field Name: <u>WILDCAT</u>	
Federal, Indian or State Lease Number: <u>COC60697</u>	

Survey Plat		
Directional Survey		
Srfc Eqpmt Diagram		
Technical Info Page		
Other		

CHANGE OF LOCATION OR AS BUILT GPS REPORT

☐ Change of Location * ☐ As-Built GPS Location Report ☐ As-Built GPS Location Report with Survey

* Well location change requires new plat. A substantive surface location change may require new Form 2A.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude _____ PDOP Reading _____ Date of Measurement _____
Longitude _____ GPS Instrument Operator's Name _____

LOCATION CHANGE (all measurements in Feet)

Well will be: _____ (Vertical, Directional, Horizontal)

Change of **Surface** Footage **From** Exterior Section Lines:

Change of **Surface** Footage **To** Exterior Section Lines:

Current **Surface** Location **From** QtrQtr SESW Sec 35

New **Surface** Location **To** QtrQtr _____ Sec _____

Change of **Top of Productive Zone** Footage **From** Exterior Section Lines:

Change of **Top of Productive Zone** Footage **To** Exterior Section Lines:

Current **Top of Productive Zone** Location **From** Sec 35

New **Top of Productive Zone** Location **To** Sec _____

Change of **Bottomhole** Footage **From** Exterior Section Lines:

Change of **Bottomhole** Footage **To** Exterior Section Lines:

Current **Bottomhole** Location Sec 35 Twp 8N

New **Bottomhole** Location Sec _____ Twp _____

Is location in High Density Area? _____

Distance, in feet, to nearest building _____, public road: _____, above ground utility: _____, railroad: _____,

property line: _____, lease line: _____, well in same formation: _____

Ground Elevation _____ feet Surface owner consultation date _____

FNL/FSL		FEL/FWL	
<u>550</u>	<u>FSL</u>	<u>2219</u>	<u>FWL</u>
_____	_____	_____	_____
Twp <u>8N</u>	Range <u>60W</u>	Meridian <u>6</u>	
Twp _____	Range _____	Meridian _____	
<u>600</u>	<u>FSL</u>	<u>605</u>	<u>FEL</u>
_____	_____	_____	_____
Twp <u>8N</u>	Range <u>60W</u>		
Twp _____	Range _____		
<u>600</u>	<u>FNL</u>	<u>605</u>	<u>FEL</u>
_____	_____	_____	_____
			**

** attach deviated drilling plan

CHANGE OR ADD OBJECTIVE FORMATION AND/OR SPACING UNIT

<u>Objective Formation</u>	<u>Formation Code</u>	<u>Spacing Order Number</u>	<u>Unit Acreage</u>	<u>Unit Configuration</u>

OTHER CHANGES

☐ **REMOVE FROM SURFACE BOND** Signed surface use agreement is a required attachment

☐ **CHANGE OF WELL, FACILITY OR OIL & GAS LOCATION NAME OR NUMBER**

From: Name CINNAMON TEAL Number 35-16HN Effective Date: _____

To: Name _____ Number _____

☐ **ABANDON PERMIT: Permit can only be abandoned if the permitted operation has NOT been conducted. Field inspection will be conducted to verify site status.**

☐ WELL: Abandon Application for Permit-to-Drill (Form2) – Well API Number _____ has not been drilled.

☐ PIT: Abandon Earthen Pit Permit (Form 15) – COGCC Pit Facility ID Number _____ has not been constructed (Permitted and constructed pit requires closure per Rule 905)

☐ CENTRALIZED E&P WASTE MANAGEMENT FACILITY: Abandon Centralized E&P Waste Management Facility Permit (Form 28) – Facility ID Number _____ has not been constructed (Constructed facility requires closure per Rule 908)

OIL & GAS LOCATION ID Number: _____

☐ Abandon Oil & Gas Location Assessment (Form 2A) – Location has not been constructed and site will not be used in the future.

☐ Keep Oil & Gas Location Assessment (Form 2A) active until expiration date. This site will be used in the future.

Surface disturbance from Oil and Gas Operations must be reclaimed per Rule 1003 and Rule 1004.

☐ **REQUEST FOR CONFIDENTIAL STATUS**

☐ **DIGITAL WELL LOG UPLOAD**

☐ **DOCUMENTS SUBMITTED** Purpose of Submission: _____

RECLAMATION**INTERIM RECLAMATION**

☐ Interim Reclamation will commence approximately _____

Per Rule 1003.e.(3) operator shall submit Sundry Notice reporting interim reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Interim reclamation complete, site ready for inspection.

Per Rule 1003.e(3) describe interim reclamation procedure in Comments below or provide as an attachment and attach required location photographs.

Field inspection will be conducted to document Rule 1003.e. compliance

FINAL RECLAMATION

☐ Final Reclamation will commence approximately _____

Per Rule 1004.c.(4) operator shall submit Sundry Notice reporting final reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Final reclamation complete, site ready for inspection. Per Rule 1004.c(4) describe final reclamation procedure in Comments below or provide as an attachment.

Field inspection will be conducted to document Rule 1004.c. compliance

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

☐ NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned _____ Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT _____

☐ SPUD DATE: _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

☒ NOTICE OF INTENT Approximate Start Date 07/24/2018

☐ REPORT OF WORK DONE Date Work Completed _____

- | | | |
|--|---|--|
| <input type="checkbox"/> Intent to Recomplete (Form 2 also required) | <input checked="" type="checkbox"/> Request to Vent or Flare | <input type="checkbox"/> E&P Waste Mangement Plan |
| <input type="checkbox"/> Change Drilling Plan | <input type="checkbox"/> Repair Well | <input type="checkbox"/> Beneficial Reuse of E&P Waste |
| <input type="checkbox"/> Gross Interval Change | <input type="checkbox"/> Rule 502 variance requested. Must provide detailed info regarding request. | |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases | |

COMMENTS:

Mallard requests authorization to temporarily flare the Cinnamon Teal 35-15HC and Cinnamon Teal 35-16HN for no more than six (6) months. These wells are considered exploratory as Mallard is drilling a new horizon for the area. The nearest drilled codell formation well is approximately six miles away. Additionally, Mallard is assessing new completion volume tests that are significantly larger than anything that has been pumped in the area. Flowback is anticipated to begin in July 23, 2018. The following information is provided:

1. The estimated volume and content of the gas to be vented or flared.

The combined estimated volume for the Cinnamon Teal 35-15HC and the Cinnamon Teal 35-16HN over the requested 6-month flare period is anticipated to be between 0-1500 mcf.

2. Gas analysis including hydrogen sulfide for the subject well.

Mallard has submitted an offset gas analysis from the area.

3. For requests based on lack of available infrastructure, the operator must state:

- a. Why the well cannot be connected to infrastructure (e.g., remote area with no plans to construct infrastructure) and an economic justification for this determination; OR
- b. When the well(s) will be connected to infrastructure, and why the operator commenced production of the well before infrastructure was available; AND
- c. Discuss options of gas to generate electricity, gas processing to natural gas liquid or other options.

Mallard has entered into a contract with Outrigger Energy, who intends to install midstream infrastructure to this location and construct a gas processing plant in Section 25, Township 8N, Range 62W. Outrigger Energy anticipates that the infrastructure and processing plant will be operational in the first quarter of 2019. Mallard, in conjunction with Outrigger Energy, has begun obtaining the necessary right-of-way to facilitate the installation of a midstream gathering system.

Mallard is drilling and completing two Cinnamon Teal wells prior to Outrigger's midstream infrastructure being operational. This is necessary to determine individual well, as well as, full scale development oil and gas volumes for Outrigger to make appropriate final design decisions on capacity volumes, pipe sizing, etc.

Mallard will not be equipping the facility to run off three-phase power, so using gas to generate electricity is not currently an option. Mallard has also investigated the option of mobile gas processing and has determined the anticipated gas volume is too small to be economic for natural gas liquids extraction.

4. A statement that the operator has complied with Rule 805.b.(1).

Mallard intends to flare the associated gas and therefore will comply with the odor provisions of Rule 805.b.(1).

5. A statement that the operator will use a CDPHE approved flaring method and any site-specific permitting required by the CDPHE.

Mallard intends to use a flare for encountered gas from the wellhead and emission control devices (ECDs) for compliance with storage tank emissions management. The flare will be non-enclosed, and all combustion devices will meet 98% combustions efficiency.

Request letter attached as OTHER. Offset gas analysis attached as GAS ANALYSIS REPORT.

CASING AND CEMENTING CHANGES

Casing Type	Size	Of	/	Hole	Size	Of	/	Casing	Wt/Ft	Csg/LinTop	Setting Depth	Sacks of Cement	Cement Bottom	Cement Top

H2S REPORTING

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million)

Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

Best Management Practices

No BMP/COA Type

Description

--	--	--

Operator Comments:

--

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Erin Mathews
 Title: VP Development Email: emathews@mallardexploration.com Date: 7/17/2018

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: SUTPHIN, DIRK Date: 8/10/2018

CONDITIONS OF APPROVAL, IF ANY:

COA Type**Description**

	1) Flaring of natural gas shall comply with COGCC Rule 912. 2) Submit requests to flare annually to COGCC on Form 4 (Sundry Notice), which discusses timing to connect to sales line, plans to develop infrastructure, and justification for continued venting/flaring. Provide gas analysis including H2S with each Sundry Notice. 3) Report flaring volumes on Form 7, Operator's Monthly Report of Operations. 4) The operator is required to obtain and maintain any required air permits from CDPHE. 5) The expectation for permanent flares controlling separators will be an enclosed combustion device with a 98% design destruction efficiency for hydrocarbons. 6) Notify the local emergency dispatch or the local governmental designee of natural gas flaring.
--	--

General Comments

User Group**Comment****Comment Date**

Engineer	rt'd to DRAFT - requested details for flaring request be included in comment box	07/06/2018
----------	--	------------

Total: 1 comment(s)

Attachment Check List

Att Doc Num**Name**

401648389	SUNDRY NOTICE APPROVED-VENT_FLARE
401705768	OTHER
401705771	GAS ANALYSIS REPORT
401730543	FORM 4 SUBMITTED

Total Attach: 4 Files