

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:

401673217

(SUBMITTED)

Date Received:

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____Refilling ☒ZONE TYPE SINGLE ZONE ☐ MULTIPLE ZONES ☒ COMMINGLE ZONES ☒Sidetrack ☐

Well Name: Federal

Well Number: 11A-26-692

Name of Operator: VANGUARD OPERATING LLC

COGCC Operator Number: 10531

Address: 5847 SAN FELIPE #3000

City: HOUSTON

State: TX

Zip: 77057

Contact Name: Scott Ghan

Phone: (970)876-1959

Fax: ()

Email: sghan@vnrenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20140092

WELL LOCATION INFORMATION

QtrQtr: NENW Sec: 26 Twp: 6S Rng: 92W Meridian: 6

Latitude: 39.502257

Longitude: -107.637842

Footage at Surface: 1145 Feet FNL/FSL FNL 1610 Feet FEL/FWL FWL

Field Name: MAMM CREEK

Field Number: 52500

Ground Elevation: 6023

County: GARFIELD

GPS Data:

Date of Measurement: 04/04/2011 PDOP Reading: 6.0 Instrument Operator's Name: James A. Kalmon

If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL FNL/FWL Bottom Hole: FNL/FSL FNL/FWL
 1150 FNL 665 FWL 1150 FNL 665 FWL

Sec: 26 Twp: 6S Rng: 92W Sec: 26 Twp: 6S Rng: 92W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☐ Fee ☐ State ☒ Federal ☐ IndianThe 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: No

The right to construct the Oil and Gas Location is granted by: Right of Way

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.)

The E2, SENW, W2NW, N2SW, and SESW of Section 26, T6S, R92W; additional portions of T6S, R92W and R92W. Please see attached lease boundary map.

Total Acres in Described Lease: 2125 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: 663 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 841 Feet
Building Unit: 841 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 5170 Feet
Above Ground Utility: 338 Feet
Railroad: 5280 Feet
Property Line: 167 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: 05/15/2018

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: 328 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 665 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

Order 191-8 and 191-10 approved 640 acre drilling and spacing units with 10 acre density for the production of the Williams Fork and Iles Formation.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
ILES	ILES	191-10	640	Sec 26: ALL
WILLIAMS FORK	WMFK	191-8	640	Sec 26: ALL

DRILLING PROGRAM

Proposed Total Measured Depth: 7726 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? 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 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE

Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE

Cuttings Disposal Method: Beneficial reuse

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	24	14	36	0	40		40	0
SURF	12+1/4	9+5/8	36	0	763	240	763	0
1ST	7+7/8	4+1/2	11.6	0	7726	800	7726	

☐ 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 permit is being refiled due to expiration. The Federal NENW well pad has not been constructed. There are no changes to the previously approved APD for the proposed SHL, BHL, drilling plan, casing and cement program, and mineral lease information. The previously approved well location plat, and directional remain the same. The distance to nearest well completed in the same formation / permitted or existing well penetrating objective formation was measured to the proposed Federal 11B-26- 692 (05-045-21067). Please note the drilling fluids disposal, cuttings disposal, and WMP have been updated per Vanguard's drilling and completion operations. Vanguard will not utilize a completion pit because the pad is in a setback location. A sundry notice with the revised BMPs and WMP; and removal of the completions pit has been submitted for the location (Doc # 401047885).

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

Location ID: 425806

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: Julie Webb

Title: Sr. Regulatory Analyst Date: _____ Email: jwebb@progressivepcs.net

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

05 045 21124 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

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Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Traffic control	• Rule 604.c.(2).D. Traffic Plan: Site specific traffic control plans were not required by the county or BLM. Install approved MUTCD traffic control/warning devices before work begins and through the duration of drilling and completion. Reduce visits to wellsites through remote monitoring (i.e. SCADA) and the use of multifunction contractors, where practicable. Pipelines are proposed and include a gas line and two water lines. Water line infrastructure will assist to reduce traffic.
2	Dust control	• 805.c. Dust: During construction and operation, operator will implement dust abatement measures, as needed, to prevent fugitive dust from vehicular traffic, equipment operations, or wind events.
3	Noise mitigation	• Rule 604.c.(2).A. Noise: Mufflers on the rig will be oriented away from the nearest building unit to minimize engine noise. Plumb dump lines into tanks to muffle sound. Rubber cushions in lubricators are used to muffle sound for plunger lift. Vanguard will adhere to Rule 802 noise abatement.
4	Odor mitigation	• 805.b. Odors: Potential odors associated with the completions process and/or with long term production operations will be controlled/ mitigated.
5	Drilling/Completion Operations	• 317.p. Requirement to log well: One of the first wells drilled on the pad will be logged with open-hole Resistivity Log and Gamma Ray Log from TD 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 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 will clearly state "No open-hole logs were run" and will clearly identify (by API#, well name & number) the well in which open-hole logs were run.

Total: 5 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>

Total Attach: 0 Files

General Comments

<u>User Group</u>	<u>Comment</u>

Comment Date

Stamp Upon
Approval

Total: 0 comment(s)

Public Comments

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

