

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:
401779993

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:
10/01/2018

TYPE OF WELL OIL GAS COALBED OTHER Unplanned
ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refiling
Sidetrack

Well Name: RSU Anschutz Fed Well Number: 4-62-11-1609CS
Name of Operator: HIGHPOINT OPERATING CORPORATION COGCC Operator Number: 10071
Address: 1099 18TH ST STE 2300
City: DENVER State: CO Zip: 80202
Contact Name: Delores Montoya Phone: (303)312-8145 Fax: ()
Email: dmontoya@hpres.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20040060

WELL LOCATION INFORMATION

QtrQtr: SESE Sec: 3 Twp: 4N Rng: 62W Meridian: 6
Latitude: 40.334875 Longitude: -104.304653

Footage at Surface: 238 Feet FNL/FSL FSL 714 Feet FEL/FWL FEL

Field Name: WATTENBERG Field Number: 90750
Ground Elevation: 4528 County: WELD

GPS Data:
Date of Measurement: 10/02/2017 PDOP Reading: 1.4 Instrument Operator's Name: James Freshwater

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
1300 FNL 200 FWL 1262 FNL 125 FEL
Sec: 11 Twp: 4N Rng: 62W Sec: 12 Twp: 4N Rng: 62W

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: No

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

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.)

This well will produce from state and federal leases, within the Riverside Unit (Unit number: COC78654X). A federal APD has been submitted with the BLM.

Total Acres in Described Lease: 617 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # CO99339

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: 5280 Feet
 Railroad: 5280 Feet
 Property Line: 238 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: 529 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 200 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): Riverside Unit Unit Number: COC 78654X

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	407-2303		

DRILLING PROGRAM

Proposed Total Measured Depth: 17086 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 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 448950 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	838	238	838	0
1ST	8+3/4	7	26	0	6798	730	6798	600
1ST LINER	6+1/8	4+1/2	11.6	6029	17086	557	17086	6029

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

- While drilling at 10,599 MD, the drill string pressured up. We spent an hour trying to work the pressure down thinking it was plugged jets in the bit. The decision was made to trip out of hole to check the BHA. Once the BHA was on surface, we found that the motor had parted just above the bend in the motor leaving the bit, lower end of the motor, and rotor down hole. Due to this fish being extremely hard to fish, the decision was made to sidetrack around the fish in hole.
- The total MD of the hole to be abandoned is 10,599' MD.
- 9 5/8" surface casing is set at 838' MD.
- The fish in the hole is a bit, lower end of the motor, and rotor at 10,599 MD.
- There are no proposed cement plugs.
- Sidetrack KOP is 8545' MD.
- The objective formation for the sidetrack hole is the Niobrara formation, which is the same objective formation as the wellbore being abandoned.
- The PBHL of the sidetrack hole is the same as the wellbore being abandoned.

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

Location ID: 454977

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: Delores Montoya

Title: Sr. Regulatory Analyst Date: 10/1/2018 Email: dmontoya@hpres.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: 10/4/2018

Expiration Date: 10/03/2020

API NUMBER
05 123 46846 01

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>

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	HighPoint will adhere to the COGCC Policy for Bradenhead Monitoring effective 5/29/12.
2	Drilling/Completion Operations	One of the first wells drilled on the pad will be logged with 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" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run.

Total: 2 comment(s)

Applicable Policies and Notices to Operators

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.
<http://cogcc.state.co.us/documents/reg/Policies/PolicyGwaBradenheadMonitoringFinal.pdf>

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401779993	FORM 2 SUBMITTED
401780103	OffsetWellEvaluations Data
401780141	WELLBORE DIAGRAM
401780357	CORRESPONDENCE
401783673	OFFSET WELL EVALUATION

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD and public comment waived for this application for an unplanned sidetrack with drilling in progress.	10/03/2018
Permit	Passed completeness.	10/03/2018
Permit	Corrected Refile to No. Corrected Commingled Zone to No. Added Location ID 454977.	10/01/2018

Total: 3 comment(s)