

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:

401578174

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 ☐

Date Received:

03/19/2018

Well Name: Rich Well Number: 2-32H
Name of Operator: SANDRIDGE EXPLORATION & PRODUCTION LLC COGCC Operator Number: 10598
Address: 123 ROBERT S KERR AVE
City: OKLAHOMA CITY State: OK Zip: 73102
Contact Name: Spence Laird Phone: (405)420-8415 Fax: ()
Email: slaird@sandridgeenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20170015

WELL LOCATION INFORMATION

QtrQtr: SWSE Sec: 32 Twp: 7N Rng: 80W Meridian: 6

Latitude: 40.528664

Longitude: -106.396479

Footage at Surface: 750 Feet FNL/FSL FSL 2340 Feet FEL/FWL FEL

Field Name: WILDCAT Field Number: 99999

Ground Elevation: 8205 County: JACKSON

GPS Data:

Date of Measurement: 06/03/2014 PDOP Reading: 1.1 Instrument Operator's Name: Randall R. Miller

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
610 FNL 2537 FEL 610 FSL 1960 FWL
Sec: 5 Twp: 6N Rng: 80W Sec: 5 Twp: 6N Rng: 80W

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.)

T6N R80W Sec. 5: Lot 2-3, SENW, NESW, SESW

Total Acres in Described Lease: 202 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: 150 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4224 Feet
Building Unit: 5069 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 399 Feet
Above Ground Utility: 2460 Feet
Railroad: 5280 Feet
Property Line: 291 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: 2180 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 610 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

Spacing order includes all of Sec. 32, 7N80W and all of Sec. 5, 6N80W.

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	531-18	640	Sec. 32 & 5: All

DRILLING PROGRAM

Proposed Total Measured Depth: 13198 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: 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	12+1/4	9+5/8	36	0	1400	740	1400	0
1ST	8+3/4	5+1/2	26	0	13198	2700	13198	1200

☒ 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 Distance from completed portion of the wellbore to nearest wellbore permitted or completed in the same formation was measured to the Spicer 3-32H (API # 05-057-06469) operated by Sandridge.

There are no wells operated by another operator within 1500' of this location.

Please contact Angela Callaway at 303-942-0506 or at acallaway@upstreampm.com concerning any questions regarding this permit.

No other information has changed in this permit.

Thank you.

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

Location ID: 441213

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: Angela Callaway

Title: Permit Agent Date: 3/19/2018 Email: acallaway@upstreampm.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: 10/27/2018

Expiration Date: 10/26/2020

API NUMBER

05 057 06537 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.

<u>COA Type</u>	<u>Description</u>
	1) Operator shall comply with the most current revision of the Northwest Notification Policy. 2) Operator shall provide cement coverage from the production casing shoe (5 1/2" First String) to a minimum of 200' above the surface casing shoe to provide full isolation of the Coalmont Formation. Verify production casing cement coverage with a cement bond log.
	A closed loop system must be implemented during drilling (as indicated on the Form 2s and Form 2A). The moisture content of water/bentonite-based mud (WBM) generated cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. A all cuttings generated during drilling with oil-based mud (OBM-) must be segregated from water/bentonite based mud-(WBM-) generated drill cuttings and placed separately on the well pad. All OBM-generated drill cuttings must be kept in tanks/containers, or placed on a lined/bermed portion of the well pad; prior to disposition. The moisture content of any OBM-generated drill cuttings in a tank, cuttings containment area, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. The operator has indicated that 'Cuttings Disposal' will be "OFFSITE" and that the 'Cuttings Disposal Method' will be "COMMERCIAL DISPOSAL" (as shown in the 'DRILLING WASTE MANAGEMENT PROGRAM SECTION' of the Form 2). All liners associated with oil-based drilling mud and OBM-generated drill cuttings must be disposed of offsite per CDPHE rules and regulations. Any changes to drill cuttings management and disposal at this location will require submittal (via a Form 4 Sundry Notice) and approval of a revised Waste Management Plan detailing the changes (specifying cuttings characterization methods, cuttings management, amendment, and onsite disposal location[s]).

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Open-hole resistivity log with gamma-ray will be run from the kick-off point into the surface casing. A Cement Bond Log (CBL) 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: 1 comment(s)

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf

Notice Concerning Operating Requirements for Wildlife Protection.

http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401578174	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Final Review	Final Approval: Corrected footage reference error for the Bottom Hole Location from "1960 FEL" to "1960 FWL" before approval of this form and notified operator. This change is consistent with the previously-approved Form 2 #400762815 for this re-file permit, Deviated Drilling Plan #400777344, and Directional Data plotted on COGCC's GIS. Notified operator.	10/27/2018
Permit	Final review complete.	10/23/2018
Engineer	OWE complete, no wells within 1500'. Engineering review is complete.	07/26/2018
Engineer	Emailed op to question cement volume on the first string, changed to 2700 sx per op response.	06/21/2018
Permit	Need the engineering approval.	06/04/2018
Permit	Corrected 317.p BMP with operator concurrence. Preliminary review complete.	05/17/2018
Agency	317.p BMP needs corrected to this well. (only well on pad) Corrected spacing order from 531-1 to 531-18; corrected typo in unit size from 649 to 640; and added Sec 32 to unit configuration. Notified operator.	05/16/2018
Permit	Form 2A, Doc 401593318 has been submitted and doc number added to Related Forms. Passing this form through completeness.	04/05/2018
Permit	Ready to pass through completeness, however the 2A has expired as well. Requested update from operator regarding status of 2A.	03/26/2018

Total: 9 comment(s)