

FORM

2

Rev
02/19

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:

401956411

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate

Date Received:

03/01/2019

TYPE OF WELL OIL ☐ GAS ☐ COALBED ☒ OTHER Lateral 2Refilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐Well Name: North Carracas 32-4Well Number: 7F-1Name of Operator: RED WILLOW PRODUCTION COMPANYCOGCC Operator Number: 81295Address: P O BOX 369City: IGNACIOState: COZip: 81137Contact Name: Shelly CowdenPhone: (970)563-5194Fax: ()Email: scowden@rwpc.us

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20090057

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 7 Twp: 32N Rng: 4W Meridian: NLatitude: 37.025722Longitude: -107.333576
 Footage at Surface: 175 Feet FNL/FSL FSL 308 Feet FEL/FWL FWL
Field Name: IGNACIO BLANCOField Number: 38300Ground Elevation: 6159County: ARCHULETA

GPS Data:

Date of Measurement: 11/01/2017 PDOP Reading: 1.8 Instrument Operator's Name: Kenneth E. ReaIf well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 268 FSL 231 FEL 674 FSL 571 FEL 674
 Bottom Hole: FNL/FSL 268 FSL 231 FEL 674 FSL 571 FEL 674
 Sec: 12 Twp: 32N Rng: 4W Sec: 12 Twp: 32N Rng: 5W

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 ☐ IndianThe Minerals beneath this Oil and Gas Location will be developed by this Well: YesThe 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: 20090057

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.)

T32N-R5W, N.M.P.M., Sec 7: SWSW, Sec12: SESE, NENW, Sec 11: SESE

Total Acres in Described Lease: 12327 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: 5280 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 696 Feet
Building Unit: 696 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 732 Feet
Above Ground Utility: 5280 Feet
Railroad: 5280 Feet
Property Line: 150 Feet
School Facility: 5280 Feet
School Property Line: 5280 Feet
Child Care Center: 5280 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: 5280 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 660 Feet (Enter 5280 for distance greater than 1 mile.)

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

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.)
FRUITLAND COAL	FRLDC		640	

DRILLING PROGRAM

Proposed Total Measured Depth: 2936 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? Yes

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 608

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:

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	17+1/2	13+1/2	54.5	0	140	200	140	0
SURF	12+1/4	9+5/8	36	0	860	430	860	0
1ST	8+3/4	7+0/0	23	0	3443	355	3443	0
1ST LINER	6+1/8	4+1/2	11.6	3133	9124	0		

☐ 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 Insofar as this application for Permit to Drill concerns lands within the jurisdiction of the Southern Ute Indian Tribe, it is submitted to the Colorado Oil and Gas Conservation Commission ("COGCC") in accordance with the terms of the Memorandum of Understanding dated Aug. 22, 1991 between the Bureau of Land Management ("BLM") and the Commission and the separate Memorandum of Understanding dated Aug. 22, 1991 between the Bureau of Indian Affairs ("BIA"), the BLM and the Southern Ute Indian Tribe.

The trajectory of the wellbore will be as follows:
This Form 2 is for the Lateral #2.
The Completed interval will be within the authorized setbacks.

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? _____ No _____

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

Signed: _____ Print Name: Shelly Cowden _____

Title: Sen. Env.Compliance Spec. _____ Date: 3/1/2019 _____ Email: scowden@rwpc.us _____

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

Best Management Practices

No BMP/COA Type

Description

Attachment Check List

Att Doc Num

Name

401956469	DEVIATED DRILLING PLAN
401956470	WELLBORE DIAGRAM
401969356	DIRECTIONAL DATA

Total Attach: 3 Files

General Comments

User Group

Comment

Comment Date

Permit	Returned to draft - Missing Directional Data.	03/12/2019
Permit	Added Sutety ID#.	03/08/2019

Total: 2 comment(s)

Public Comments

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