

**APPLICATION FOR PERMIT TO:**

**Drill**
     
  Deepen
     
  Re-enter
     
  Recomplete and Operate

Date Received:

TYPE OF WELL    OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____	Refiling <input type="checkbox"/>
ZONE TYPE    SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Sidetrack <input type="checkbox"/>

Well Name: <u>Stout</u>	Well Number: <u>10N</u>
Name of Operator: <u>PDC ENERGY INC</u>	COGCC Operator Number: <u>69175</u>
Address: <u>1775 SHERMAN STREET - STE 3000</u>	
City: <u>DENVER</u>	State: <u>CO</u> Zip: <u>80203</u>
Contact Name: <u>Ally Ota</u>	Phone: <u>(303)860-5800</u> Fax: <u>( )</u>
Email: <u>alexandria.ota@pdce.com</u>	

**RECLAMATION FINANCIAL ASSURANCE**

Plugging and Abandonment Bond Surety ID: 20160047

**WELL LOCATION INFORMATION**

QtrQtr: NENW    Sec: 18    Twp: 7N    Rng: 66W    Meridian: 6

Latitude: 40.580890      Longitude: -104.822650

Footage at Surface:	<u>288</u>	Feet	FNL/FSL	<u>2544</u>	Feet	FEL/FWL
	<u>FNL</u>		<u>FNL</u>	<u>2544</u>		<u>FWL</u>

Field Name: WATTENBERG      Field Number: 90750

Ground Elevation: 5072      County: WELD

GPS Data:

Date of Measurement: 03/05/2019    PDOP Reading: 3.3    Instrument Operator's Name: Scott Sherard

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
<u>737</u>	<u>FNL</u>	<u>2305</u>	<u>150</u>	<u>FSL</u>	<u>2266</u>
	<u>FNL</u>			<u>FSL</u>	<u>FEL</u>

Sec: 18    Twp: 7N    Rng: 66W      Sec: 19    Twp: 7N    Rng: 66W

**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:    Yes

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.)

Township 7 North, Range 66 West, 6th P.M.  
Section 19: N2  
Section 27: W/2  
Weld County, Colorado

Total Acres in Described Lease: 640 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: 0 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 601 Feet  
Building Unit: 1586 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 322 Feet  
Above Ground Utility: 2584 Feet  
Railroad: 5280 Feet  
Property Line: 258 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, Designated Outside Activity Area, School Facility, and Child Care Center – 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: 303 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 150 Feet (Enter 5280 for distance greater than 1 mile.)

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

## SPACING & FORMATIONS COMMENTS

DSU scheduled for June hearing. Docket #190300229

## 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		1280	S.18, 19: All

## DRILLING PROGRAM

Proposed Total Measured Depth: 17386 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: 105 Feet  No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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:

Drill cuttings will be land applied at PDC spread fields with COGCC Facility ID 449950 or 461014

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 449950 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	1600	920	1600	0
1ST	8+1/2	5+1/2	20	0	17386	2035	17386	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

### 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

The distance to the completed portion of the nearest well on the "Spacing and Formations" tab was measured to the Stout 9C. The distance to the nearest wellbore belonging to another operator on the "Drilling & Waste Plans" tab was measured to the Drake 18-12. Both distances were measured via the anti-collision report attached in the deviated drilling plan.

The subject well will have a treated interval less than 150' from the treated interval of the Drake 18-12 (05-123-28117) and Drake 18-13 (05-123-28118) owned by Bayswater. Please see the Rule 317.s Stimulation Setback Consent attached.

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?       Yes      

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

Signed: \_\_\_\_\_ Print Name: Ally Ota

Title: Regulatory Tech Date: \_\_\_\_\_ Email: alexandria.ota@pdce.com

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: \_\_\_\_\_

<b>API NUMBER</b>
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.

<u>COA Type</u>	<u>Description</u>

## Best Management Practices

<b>No</b>	<b>BMP/COA Type</b>	<b>Description</b>
1	Drilling/Completion Operations	Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.
2	Drilling/Completion Operations	Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012. The Colorado Oil and Gas Conservation Commission (COGCC) has established this Policy Regarding Bradenhead Monitoring During Hydraulic Fracturing Treatments ("Treatment") in the Greater Wattenberg Area ("GWA") pursuant to COGCC 207.a. ("Policy"). This Policy applies to oil and gas operations in the GWA as defined by the COGCC Rules of Practice and Procedure.
3	Drilling/Completion Operations	ALTERNATIVE PROGRAM: 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 state "Alternative Logging Program - No open-hole logs were run" and shall clearly identify the type of log and the well (by API #) in which open-hole logs were run.

Total: 3 comment(s)

## Attachment Check List

<b>Att Doc Num</b>	<b>Name</b>
401996093	OffsetWellEvaluations Data
401996114	DEVIATED DRILLING PLAN
401996115	DIRECTIONAL DATA
401996118	WELL LOCATION PLAT
401996120	SURFACE AGRMT/SURETY
401996125	EXCEPTION LOC REQUEST
401996128	EXCEPTION LOC WAIVERS
401996130	STIMULATION SETBACK CONSENT

Total Attach: 8 Files

## General Comments

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
		Stamp Upon Approval

Total: 0 comment(s)

## **Public Comments**

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