

**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: 12/18/2018

Well Name: VIC Well Number: 29W-20-1N  
 Name of Operator: EXTRACTION OIL & GAS INC COGCC Operator Number: 10459  
 Address: 370 17TH STREET SUITE 5300  
 City: DENVER State: CO Zip: 80202  
 Contact Name: Kelsi Welch Phone: (720)354-4607 Fax: ( )  
 Email: kwelch@extractionog.com

**RECLAMATION FINANCIAL ASSURANCE**  
 Plugging and Abandonment Bond Surety ID: 20130028

**WELL LOCATION INFORMATION**  
 QtrQtr: SENE Sec: 20 Twp: 7N Rng: 67W Meridian: 6  
 Latitude: 40.560843 Longitude: -104.908790  
 Footage at Surface: 2260 Feet FNL/FSL FNL 273 Feet FEL/FWL FEL  
 Field Name: WATTENBERG Field Number: 90750  
 Ground Elevation: 5004 County: WELD  
 GPS Data:  
 Date of Measurement: 05/17/2018 PDOP Reading: 1.3 Instrument Operator's Name: Ross Todd  
 If well is  Directional  Horizontal (highly deviated) **submit deviated drilling plan.**  
 Footage at Top of Prod Zone: FNL/FSL FNL 460 FEL/FWL FEL 460 Bottom Hole: FNL/FSL FNL 460 FEL/FWL FEL 460  
 Sec: 29 Twp: 7N Rng: 67W Sec: 30 Twp: 7N Rng: 67W

**LOCAL GOVERNMENT INFORMATION**  
 County: WELD Municipality: N/A  
 Per § 34-60-106 (1)(f)(I)(A), the following questions pertain to the "local government with jurisdiction to approve the siting of the proposed oil and gas location."  
 The local government with jurisdiction is: County  
 Does the local government with jurisdiction regulate the siting of Oil and Gas Locations, with respect to this COGCC application? If the local government has waived its right to precede the COGCC in siting determination, indicate by selecting "NO" here and selecting "Waived" below.  Yes  No  
 If yes, in checking this box, I hereby certify that an application has been filed with the local government with jurisdiction to approve the siting of the proposed oil and gas location.   
 The local government siting permit type is: WOGLA  
 The local government siting permit was filed on: 11/01/2018  
 The disposition of the application filed with the local government is: Approved

Additional explanation of local process:

\_\_\_\_\_

**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 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 67 West  
Section 29: NE4

Total Acres in Described Lease: 160 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: 401 Feet

Building Unit: 2377 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 259 Feet

Above Ground Utility: 325 Feet

Railroad: 5280 Feet

Property Line: 273 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: 52 FeetDistance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

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

**SPACING & FORMATIONS COMMENTS**Lot 4 of Section 19, SESE of Section 20, N2N2 of Section 29 and N2N2 of Section 30 in Township 7 North, Range 67 West.**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		400	GWA

**DRILLING PROGRAM**Proposed Total Measured Depth: 17476 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 feetWill a closed-loop drilling system be used? YesIs 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? NoWill salt based (>15,000 ppm Cl) drilling fluids be used? NoWill oil based drilling fluids be used? YesBOP 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: Commercial DisposalCuttings 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	24	16	42	0	80	100	80	0
SURF	12+1/4	9+5/8	36	0	1500	400	1500	0
1ST	8+1/2	5+1/2	20	0	17476	2360	17476	1500

 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

The distance to the completed portion of the nearest well on the "Spacing & Formations" tab was measured to the Nelson Farms 2 well in 3D via the attached anti-collision report because when viewed in 2D via COGCC Mapping, the proposed wellbore appears to intersect the Winters 8-29 and Winters 1-29 wells but they are actually 1556' and 181' away, respectively. There are no permitted or existing wellbores belonging to another operator within 1500'.

The proposed wellbore will be drilled less than 150' from the Nelson Farms 1, Nelson Farm 2 and Nelson Farm 3 wells. All wells are owned by Extraction, so no 317.s stimulation setback consent is required.

COGCC Rule 318A.a GWA window exception location request attached as EXCEPTION LOCATION REQUEST.

COGCC Rule 318A.a GWA window waiver highlighted on page 4 of the Surface Use Agreement attached.

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

Location ID: 458215

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: Kelsi Welch

Title: Regulatory Analyst Date: 12/18/2018 Email: kwelch@extractionog.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules, applicable orders, and SB 19-181 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>
Drilling/Completion Operations	Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test.: 1) Within 60 days of rig release, prior to stimulation. 2) 6 months after rig release, prior to stimulation. 3) Within 30 days of first production, as reported on Form 5A.
Drilling/Completion Operations	1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 48 hour spud notice for all subsequent wells drilled on the pad. 2) Comply with Rule 317.j and provide cement coverage from the end of production casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after all aquifers are covered.

### Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Anti-collision: Operator will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling.
2	Drilling/Completion Operations	Operator acknowledges and will comply with COGCC policy for Bradenhead Monitoring during Hydraulic Fracturing treatments in the Greater Wattenberg Area dated May 29, 2012.
3	Drilling/Completion Operations	Alternative Logging 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)

## Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.  
[http://cogcc.state.co.us/documents/reg/Policies/Wildlife\\_Notice.pdf](http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf)

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>
401652598	FORM 2 SUBMITTED
401878911	OffsetWellEvaluations Data
401878944	WELL LOCATION PLAT
401878946	DEVIATED DRILLING PLAN
401878949	DIRECTIONAL DATA
401878951	OTHER
401878952	PROPOSED SPACING UNIT
401878953	SURFACE AGRMT/SURETY
401878955	EXCEPTION LOC REQUEST

Total Attach: 9 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit (Rejected)	REJECTION: This APD has been rejected per the COGCC Rejection Process (updated May 21, 2019). There are four or more errors in data or in attachments on multiple Form 2's. This entire form was reviewed by permitting staff.	07/08/2019
Permit	The following changes were made with Operator concurrence: - local government disposition and school/childcare setback distance information entered per information provided by Operator	06/19/2019
Permit	In PROCESS - objection resolved.	05/05/2019
Permit	ON HOLD - GWA Wellbore Unit Objection	02/17/2019
Engineer	Offset Wells Evaluated	12/28/2018
Permit	Passed completeness.	12/20/2018

Total: 6 comment(s)

**Public Comments**

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

**REJECTED**