

**APPLICATION FOR PERMIT TO:**

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

Date Received:  
02/15/2019

TYPE OF WELL    OIL     GAS     COALBED     OTHER: \_\_\_\_\_      Refiling

ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES       Sidetrack

Well Name: MAE J      Well Number: 8-9HZ

Name of Operator: KERR MCGEE OIL & GAS ONSHORE LP      COGCC Operator Number: 47120

Address: P O BOX 173779

City: DENVER      State: CO      Zip: 80217-3779

Contact Name: LISA SCHINDLER      Phone: (720)929-3091      Fax: (720)929-7267

Email: jayson.vanshura@anadarko.com

**RECLAMATION FINANCIAL ASSURANCE**

Plugging and Abandonment Bond Surety ID: 20010124

**WELL LOCATION INFORMATION**

QtrQtr: SESW      Sec: 8      Twp: 1N      Rng: 68W      Meridian: 6

Latitude: 40.060382      Longitude: -105.028602

Footage at Surface: 776 Feet      FNL/FSL FSL 2413 Feet      FEL/FWL FWL

Field Name: WATTENBERG      Field Number: 90750

Ground Elevation: 5083      County: WELD

GPS Data:  
Date of Measurement: 10/26/2018    PDOP Reading: 1.2    Instrument Operator's Name: ROB WILSON

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

50    FSL    1341    FEL      50    FNL    1439    FEL

Sec: 8    Twp: 1N    Rng: 68W      Sec: 8    Twp: 1N    Rng: 68W

**LOCAL GOVERNMENT INFORMATION**

County: WELD      Municipality: \_\_\_\_\_

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: \_\_\_\_\_

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: \_\_\_\_\_

The local government siting permit was filed on: \_\_\_\_\_

The disposition of the application filed with the local government is: \_\_\_\_\_

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: No

The right to construct the Oil and Gas Location is granted by: applicant is owner

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 1 North, Range 68 West, 6th P.M.  
Section 17: NE/4  
Weld County, Colorado

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: 50 Feet

### CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2076 Feet  
Building Unit: 2117 Feet  
High Occupancy Building Unit: 4072 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 760 Feet  
Above Ground Utility: 871 Feet  
Railroad: 551 Feet  
Property Line: 275 Feet  
School Facility: 4753 Feet  
School Property Line: 4277 Feet  
Child Care Center: 4072 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:   225   Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary   1281   Feet (Enter 5280 for distance greater than 1 mile.)

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

**SPACING & FORMATIONS COMMENTS**

PROPOSED WELLBORE SPACING UNIT:  
  
01N68W SEC 05: S2SE;  
01N68W SEC 08: E2;  
01N68W SEC 17: N2NE

**OBJECTIVE FORMATIONS**

<u>Objective Formation(s)</u>	<u>Formation Code</u>	<u>Spacing Order Number(s)</u>	<u>Unit Acreage Assigned to Well</u>	<u>Unit Configuration (N/2, SE/4, etc.)</u>
NIOBRARA	NBRR		480	GWA

## DRILLING PROGRAM

Proposed Total Measured Depth: 13840 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: 222 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? 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 318A

## 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:

Please see Comments section. Disposal description will not fit in space provided.

Beneficial reuse or land application plan submitted? Yes

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	26	16	36.94	0	80	64	80	0
SURF	13+1/2	9+5/8	36	0	1500	590	1500	0
1ST	7+7/8	5+1/2	17	0	13830	1625	13830	

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 PLEASE ENSURE ALL CORRESPONDENCE ASSOCIATED WITH THIS PERMIT GOES TO ANALYST AND DJREGULATORY EMAIL ADDRESSES, AS LISTED ON THIS PERMIT.

SUBJECT LOCATION (PAD EDGE) IS GREATER THAN 1,320' FROM A SCHOOL PROPERTY BOUNDARY OR DAY CARE FACILITY BOUNDARY, AS CONFIRMED VIA GIS SURVEILLANCE.

Drilling fluids disposal: KMG will reuse water-based drilling fluids to the maximum extent possible, at which point they will either be land applied offsite or taken offsite to a licensed, commercial disposal site; the decision will be based upon laboratory analysis of fluids. KMG will reuse oil-based drilling fluids to the maximum extent possible, at which point they will be returned to the fluids manufacturer for reconditioning or disposal offsite at a licensed, commercial disposal site.

Cuttings disposal: Water-based cuttings will be disposed of offsite using a Centralized E&P Waste Management facility or a private spread field (offsite), depending on what is feasible at the time of drilling. Oil-based cuttings will be disposed of offsite and at a licensed, commercial disposal site.

Offset well buffer description for the subject well has been attached to this permit for review (GIS BUFFER REVIEW/ANALYSIS).

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ 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: LISA SCHINDLER

Title: SR REGULATORY ANALYST Date: 2/15/2019 Email: DJREGULATORY@ANADARK

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: \_\_\_\_\_

**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.

<u>COA Type</u>	<u>Description</u>
Drilling/Completion Operations	1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU (spud notice) for the first well activity with a rig on the pad and provide 48 hour spud notice via Form 42 for all subsequent wells drilled on the pad. 2) Comply with Rule 317.j. and provide cement coverage from TD to a minimum of 200' above Niobrara and from 200' below Sussex to 200' above Sussex. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after all fresh water aquifers are covered.
Drilling/Completion Operations	Per COGCC Order 1-232, Bradenhead tests shall be performed 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. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation. 2) If a delayed completion, 6 months after rig release and prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation. 3) A post-production test within 60 days after first sales, as reported on the Form 10, Certificate of Clearance.

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	317.p Logging Program: One of the first wells drilled on the pad will be logged with Cased-hole Pulsed Neutron Log with Gamma Ray Log 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 in that well and have those logs attached. The Form 5 for each well shall clearly state "No open-hole logs were run" and shall reference the Rule 317.p Exception granted for the well.
2	Drilling/Completion Operations	Anti-Collision: Kerr-McGee will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within one hundred fifty (150) feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators within one hundred fifty (150) feet prior to drilling.
3	Drilling/Completion Operations	Kerr-McGee acknowledges and will comply with the COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.

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>
401905157	FORM 2 SUBMITTED
401906802	DIRECTIONAL DATA
401906804	WELL LOCATION PLAT
401906805	DEVIATED DRILLING PLAN

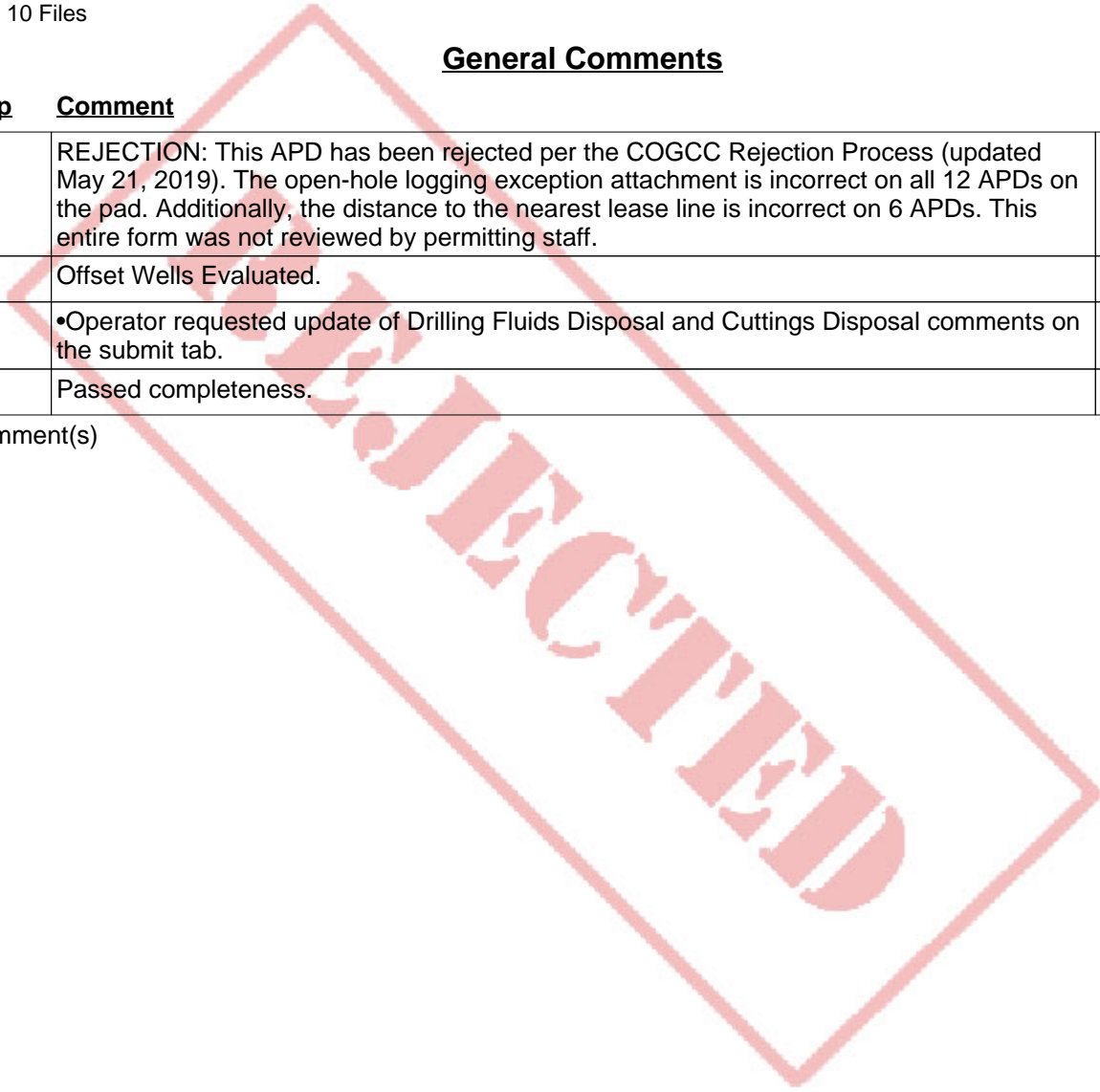
401930872	PROPOSED SPACING UNIT
401930875	EXCEPTION LOC REQUEST
401930876	EXCEPTION LOC WAIVERS
401930881	GIS BUFFER REVIEW/ANALYSIS
401933520	OffsetWellEvaluations Data
401941562	OPEN HOLE LOGGING EXCEPTION

Total Attach: 10 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). The open-hole logging exception attachment is incorrect on all 12 APDs on the pad. Additionally, the distance to the nearest lease line is incorrect on 6 APDs. This entire form was not reviewed by permitting staff.	08/05/2019
Engineer	Offset Wells Evaluated.	06/26/2019
Permit	•Operator requested update of Drilling Fluids Disposal and Cuttings Disposal comments on the submit tab.	02/27/2019
Permit	Passed completeness.	02/20/2019

Total: 4 comment(s)



**Public Comments**

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

**REJECTED**