

FORM 2 Rev 08/19

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: 401922662 Date Received: 04/04/2019

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

TYPE OF WELL OIL GAS COALBED OTHER: ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refilling Sidetrack

Well Name: COT West Well Number: R-30-25HN Name of Operator: BAYSWATER EXPLORATION & PRODUCTION LLC COGCC Operator Number: 10261 Address: 730 17TH ST STE 500 City: DENVER State: CO Zip: 80202 Contact Name: Mark Brown Phone: (303)893 2503 Fax: ( ) Email: mbrown@bayswater.us

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20080034

WELL LOCATION INFORMATION

QtrQtr: NESW Sec: 30 Twp: 7N Rng: 66W Meridian: 6 Latitude: 40.543915 Longitude: -104.824989 Footage at Surface: 2137 Feet FSL 1953 Feet FWL Field Name: WATTENBERG Field Number: 90750 Ground Elevation: 4946 County: WELD GPS Data: Date of Measurement: 09/12/2018 PDOP Reading: 1.2 Instrument Operator's Name: Alan Hinzdo If well is Directional Horizontal (highly deviated) submit deviated drilling plan. Footage at Top of Prod Zone: 1569 FSL 2541 FEL 1550 FSL 150 FWL Sec: 30 Twp: 7N Rng: 66W Sec: 25 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. 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: 04/26/2019 The disposition of the application filed with the local government is: Approved

Additional explanation of local process:

WOGLA Submitted 4/29/19, Approved 6/14/19. Weld Co LGD waived right to precede 5/29/19.

**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: oil and gas lease

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.)

Please see attached Lease Description and Map

Total Acres in Described Lease: 161 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: 1318 Feet
- Building Unit: 1670 Feet
- High Occupancy Building Unit: 5280 Feet
- Designated Outside Activity Area: 5280 Feet
- Public Road: 2132 Feet
- Above Ground Utility: 946 Feet
- Railroad: 5280 Feet
- Property Line: 243 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: 171 FeetDistance from Completed Portion of Wellbore to Nearest Unit Boundary 75 Feet (Enter 5280 for distance greater than 1 mile.)

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

**SPACING & FORMATIONS COMMENTS**

Docket #190300170 submitted for spacing unit.

If this Form 2 is associated with a Drilling and Spacing Unit application, provide docket number: \_\_\_\_\_

**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           | 407-2874                | 480                           | 25: S2, 30: SW4                      |

**DRILLING PROGRAM**Proposed Total Measured Depth: 15856 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: 372 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   | 26           | 16             | 42    | 0             | 80            | 400       | 80      | 0       |
| SURF        | 13+1/2       | 9+5/8          | 36    | 0             | 1500          | 660       | 1500    | 0       |
| 1ST         | 8+1/2        | 5+1/2          | 20    | 0             | 15856         | 2119      | 15856   | 2500    |

 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 Nearest wellbore in proposed unit per anti-collision is the COT West Q-30-25HC.  
Nearest permitted or existing wellbore belonging to another operator per anti-collision is the Launer 26W-15-6N (API:05-123-45173) PR Status.

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: Justin Garrett

Title: Regulatory Analyst Date: 4/4/2019 Email: regulatory@ascentgeomatics.c

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, applicable orders, and SB 19-181 and is hereby approved.

COGCC Approved:  \_\_\_\_\_ Director of COGCC Date: 8/16/2019

Expiration Date: 08/15/2021

|                   |
|-------------------|
| <b>API NUMBER</b> |
| 05 123 50414 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>  |
|-----------------|---|
|                 | Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test.:<br>1) Within 60 days of rig release, prior to stimulation.<br>2) 6 months after rig release, prior to stimulation.<br>3) Within 60 days of first production, as reported on Form 5A.   |
|                 | 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.<br>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.<br>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 | Blowout Prevention Equipment ("BOPE"): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.   |
| 2         | Drilling/Completion Operations | Bradenhead Monitoring: 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 an 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 clearly 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. |
| 4         | 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.  |

Total: 4 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>      |
|--------------------|------------------|
| 401922662          | FORM 2 SUBMITTED |
| 401926653          | DIRECTIONAL DATA |

|           |                            |
|-----------|----------------------------|
| 401926655 | DEVIATED DRILLING PLAN     |
| 401926656 | WELL LOCATION PLAT         |
| 401964310 | OffsetWellEvaluations Data |
| 401976220 | LEGAL/LEASE DESCRIPTION    |
| 401996917 | EXCEPTION LOC REQUEST      |
| 401996918 | EXCEPTION LOC WAIVERS      |
| 402147837 | OFFSET WELL EVALUATION     |

Total Attach: 9 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>  | <u>Comment Date</u> |
|-------------------|---|---------------------|
| Permit            | With operators concurrence added spacing order and corrected the distance to the nearest well.<br>Final Review Completed.   | 08/09/2019          |
| Permit            | COGCC Staff has added the Local Government siting permit information distances provided by the operator.  | 08/09/2019          |
| Permit            | The Objective Criteria Review Memo (Doc #2479112) is attached to the associated Form 2A. Following additional analysis arising out of the Objective Criteria, the Director determined that this application meets the standard for the protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181. | 07/23/2019          |
| Permit            | w/o spacing order.  | 05/21/2019          |
| Engineer          | Offset Wells Evaluated  | 05/08/2019          |
| Permit            | Passed completeness.  | 04/08/2019          |

Total: 6 comment(s)