

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received: 07/30/2019

TYPE OF WELL OIL GAS COALBED OTHER: _____

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refiling
Sidetrack

Well Name: Siebring Well Number: 63-32-0801BN

Name of Operator: HIGHPOINT OPERATING CORPORATION COGCC Operator Number: 10071

Address: 555 17TH ST STE 3700

City: DENVER State: CO Zip: 80202

Contact Name: Brian James Phone: (303)312-8172 Fax: ()

Email: bjames@hpres.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20040060

WELL LOCATION INFORMATION

QtrQtr: SENE Sec: 32 Twp: 5N Rng: 63W Meridian: 6

Latitude: 40.356667 Longitude: -104.451255

Footage at Surface: 2405 Feet FNL/FSL FNL 232 Feet FEL/FWL FEL

Field Name: WATTENBERG Field Number: 90750

Ground Elevation: 4569 County: WELD

GPS Data:
Date of Measurement: 02/26/2019 PDOP Reading: 1.6 Instrument Operator's Name: RYAN WILLIAMS, D.E.

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

1 FNL 500 FEL 1 FNL 400 FWL

Sec: 32 Twp: 5N Rng: 63W Sec: 32 Twp: 5N Rng: 63W

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 location? If the local government does regulate the siting, but has waived its right to precede the COGCC in siting determination, indicate by selecting "YES" here and selecting "Waived" for the disposition 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: 05/06/2019

The disposition of the application filed with the local government is: Approved

Additional explanation of local process:

Local Government WOGLA approved June 14, 2019. Permit number WOGLA19-0095

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.)

Please view attached Lease map.

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: 2411 Feet

Building Unit: 2504 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 217 Feet

Above Ground Utility: 2605 Feet

Railroad: 5280 Feet

Property Line: 217 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 INFORMATIONDistance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 489 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 COMMENTSTownship 5 North, Range 63 West, 6" P.M.
Section 32: N/2 N/2
Section 29: S/2 S/2

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		320	GWA

DRILLING PROGRAMProposed Total Measured Depth: 11597 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: 166 Feet No well belonging to another operator within 1,500 feetWill a closed-loop drilling system be used? YesIs 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? NoWill salt based (>15,000 ppm Cl) drilling fluids be used? NoWill oil based drilling fluids be used? NoBOP 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 applicationCuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? YesReuse Facility ID: 454282 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	13+1/2	9+5/8	36	0	1500	733	1500	0
1ST	8+1/2	4+1/2	11.6	0	11597	1729	11597	

 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

This well has a bottom-hole location beyond the unit boundary setback. The bottom of the completed interval will be within the unit boundary setback at 1' FNL and 460' FWL of Section 32. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

The distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed within the unit was measured to the Siebring 63-32-0801BS.

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator was measured to the R&R Farms 291-221 (05-123-41759) which was permitted by PDC Energy, Inc., this distance was measured in 3D.

Rule 318A.a (drilling window) and Rule 318A.c (twinning) were waived by the surface owner within the attached surface use agreement (SUA).

Attached is a signed Rule 317.s stimulated setback consent from offset the operator allowing this horizontal well to be drilled within 150 ft. of the following:
R&R Farms 291-221 (05-123-41759)

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

Location ID: 428174

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: Melissa Luke

Title: Regulatory Specialist Date: 7/30/2019 Email: bjames@hpres.com

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. The information provided for industrial use of the water is not an application for a change in place of use. This application is applicable under Colorado SB 19-018 and is not subject to 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).

COGCC Approved:  Director of COGCC Date: 12/17/2019

Expiration Date: 12/16/2021

API NUMBER 05 123 50648 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>
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 end of 7-inch casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
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.
Drilling/Completion Operations	Operator will ensure the wellbore beyond the unit boundary setback is physically isolated and is not completed. In the Operator Comments on the Form 5A the operator will (1) report the footages from the section lines of the bottom of the completed interval (2) describe how the wellbore beyond the unit boundary setback is physically isolated and (3) certify that none of the wellbore beyond the setback was completed.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	HighPoint will adhere to the COGCC Policy for Bradenhead Monitoring effective 5/29/12.
2	Drilling/Completion Operations	Multi Well Open-Hole Logging – Rule 317.p: 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.
3	Drilling/Completion Operations	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: 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

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

Att Doc Num	Name
401989411	FORM 2 SUBMITTED
402018566	OffsetWellEvaluations Data
402018596	DIRECTIONAL DATA
402018601	DEVIATED DRILLING PLAN
402018608	MINERAL LEASE MAP
402018610	WELL LOCATION PLAT
402022187	EXCEPTION LOC REQUEST
402116963	PROPOSED SPACING UNIT
402116979	SURFACE AGRMT/SURETY
402127872	STIMULATION SETBACK CONSENT
402266013	OFFSET WELL EVALUATION

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	12/17/2019
Permit	Per COGCC Guidance SB 19-181: Form 2 Permit Applications in Weld County (September 17, 2019), this Form 2 has been returned to IN PROCESS. The required Form 2A (Oil & Gas Location Assessment Doc# 401989017) and WOGLA have been approved, and there is no applicable Drilling and Spacing Unit.	12/17/2019
Permit	COGCC staff conducted its technical review of this Form 2 Application for Permit to Drill (APD) and the previously approved Oil and Gas Location Assessment associated with this APD within the context of SB 19-181 and the required Objective Criteria. This APD did not meet any of the Objective Criteria and is compliant with all applicable COGCC Rules.	12/17/2019
Permit	Corrected oil and gas lease information with operator concurrence Changed contact to current employee Updated Local Government Information with the WOGLA permit number provided by the operator. Added Location ID	10/23/2019
Engineer	Per operator request: The setting depth and cement volume for the Surface String were changed. The 7" string of casing was removed. The hole size and volume of cement for the 1st String were changed.	10/23/2019
Permit	Per COGCC Guidance SB 19-181: Form 2 Permit Applications in Weld County (September 17, 2019), this Form 2 has been placed ON HOLD until the required Form 2A (Oil & Gas Location Assessment), WOGLA, and applicable DSU have been approved and provided.	09/23/2019
Engineer	Operator has indicated oil-based drilling fluids will not be used. Offset Wells Evaluated.	09/23/2019
Permit	Corrected Date of GPS to 02/26/2019 to reflect Well Location Plat. Distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation is incorrect. With operator concurrence, the well measured to for the Distance to Nearest Well was corrected to Siebring 63-32-0801BS.	09/09/2019
Permit	Passed Completeness.	08/07/2019
Permit	Returned to draft per operator request.	07/31/2019

Total: 10 comment(s)