

FORM

2

Rev
02/20

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:

402318095

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate

Date Received:

02/27/2020

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: _____Refiling ☒ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: Independence

Well Number: D18-767

Name of Operator: NOBLE ENERGY INC

COGCC Operator Number: 100322

Address: 1001 NOBLE ENERGY WAY

City: HOUSTON State: TX Zip: 77070

Contact Name: Craig Richardson

Phone: (303)228.4232

Fax: ()

Email: craig.richardson@nblenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030009

WELL LOCATION INFORMATION

QtrQtr: NENW Sec: 19 Twp: 3N Rng: 64W Meridian: 6

Latitude: 40.216660

Longitude: -104.596890

Footage at Surface: 480 Feet FNL/FSL FNL 1616 Feet FEL/FWL FWL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4787

County: WELD

GPS Data: GPS Quality Value: 1.1 Type of GPS Quality Value: PDOP Date of Measurement: 08/17/2017

Instrument Operator's Name: KYLE DALEY

If well is ☐ Directional ☒ Horizontal (highly deviated) submit deviated drilling plan.
 Footage at Top of Prod Zone: FNL/FSL FNL 200 FSL 1600 FWL FNL/FSL FNL 200 FNL 350 FWL
 Sec: 18 Twp: 3N Rng: 64W Sec: 7 Twp: 3N Rng: 64W

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 ☐ NoIf 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: 04/17/2018

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

Additional explanation of local process:

WOGLA 18-0045 APPROVED April 25, 2018

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: 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.)

All, Sec 8; W/2, Sec 18; NW/4, S/2, Sec 26; All, Sec 34, T3N, R64W

Total Acres in Described Lease: 2080 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: 635 Feet

Building Unit: 677 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 468 Feet

Above Ground Utility: 449 Feet

Railroad: 5280 Feet

Property Line: 480 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: 12/21/2017

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: 580 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 200 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

Existing Spacing Unit = T3N-R64W: Section 7: All; Section 18: All
Per the Comprehensive Drilling Plan (#11984) this well will be completed less than 460' from the boundary of the Wellbore 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		1280	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 17547 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: 574 Feet ☐ No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is 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? 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:

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	173	80	0
SURF	13+1/2	9+5/8	36	0	1850	658	1850	0
1ST LINER	8+1/2	5+1/2	20	0	17547	1918	17547	

☐ 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	<p>The revised documents submitted with this submittal include:</p> <ul style="list-style-type: none">Well Location PlatDeviated Drilling PlanDigital Direction Data ImportOffset Well EvaluationAnti-Collision Report <p>No Change to existing WSU</p> <p>Noble is resubmitting the Form 2s associated with Location ID 456625 in order to reduce stranded resources that would not be able to be recovered otherwise.</p> <p>Noble Energy shall isolate both the Fox Hills and Upper Pierre Aquifers with surface casing from hydrocarbon bearing zones and exposure to oil based drilling fluid. Noble Energy also agrees to not expose the UPAq to oil based mud.</p> <p>Nearest HZ well producing zone to producing zone per manual calculation is the Independence D18-759 Doc#402317870 Distance was calculated in 2D.</p> <p>Nearest non-op is the LSWD 1 (API: 05-123-30367) IJ Status. Select Energy Services LLC</p> <p>The following wells are all within 150'. All are Noble operated, therefore no 317.s is required: Butterball H24-69HN (API: 05-123-34328) PR Status 71' Dechant D 7-25 (05-123-23413) SI Status 41'</p> <p>Wellbore to wellbore distances populated from attached anti-collision report unless otherwise indicated.</p> <p>Exception Location waiver language is included in the SUA attached to the scout card (Page 4, Section 6.A.).</p>
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This application is in a Comprehensive Drilling Plan Yes CDP #: 11984

Location ID: 456625

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: Craig Richardson

Title: Regulatory Analyst III Date: 2/27/2020 Email: DenverRegulatory@Nbenergy.

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: 5/4/2020

Expiration Date: 10/28/2024

API NUMBER

05 123 48805 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.

COA Type

Description

Drilling/Completion Operations	This Permit to Drill is approved subject to all the BMPs and COAs on the most recently approved Form 2A and any subsequently approved Form 4 for the Oil and Gas Location (Location ID # 456625). The most recently approved Form 2A and any subsequent Form 4s containing applicable COAs for this location shall be posted onsite during construction, drilling, and completions operations.
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	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.
Drilling/Completion Operations	Operator acknowledges the proximity of the listed wells: Operator agrees to: provide mitigation option 1 or 2 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OFFSET MITIGATION COMPLETED") for the remediated wells, referencing the API number of the proposed horizontal well(s) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. Faramir Farms 6-34 (API NO 123-19255)HSR Barbour 4-7 (API NO 123-17022) HSR-Safran 5-7 (API No 123-17023)HSR-Parkman 6-7 (API NO 123-17024) HSR-Petrie (API NO 123-17051)Dechant D 7-14 (API NO 123-17277) Scooter 18-2 (API NO 123-13074)Scooter D18-7 (API NO 123-13106) Scooter D18-10 (API NO 123-17128)Mick D 18-2 (API NO 123-17284) Stroh H 12-08 (API NO 123-15737)Stroh H 12-09 (API NO 123-15770)

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Anti-collision: 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	During and Post stimulation: Operator will comply with the COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated 5/29/12.
3	Drilling/Completion Operations	Alternative Logging Program: One of the first wells drilled on the pad will be logged with open-hole resistivity log with 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

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
402318095	FORM 2 SUBMITTED
402318132	DIRECTIONAL DATA
402318133	OTHER
402318141	WELL LOCATION PLAT
402325804	OffsetWellEvaluations Data
402325826	DEVIATED DRILLING PLAN
402389458	OFFSET WELL EVALUATION

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	05/04/2020
OGLA	IN PROCESS – received requested information from Operator on 05/04/2020; COGCC review will resume and be conducted within 60 days (by 07/03/2020).	05/04/2020
OGLA	<p>ON HOLD: This application has been reviewed by COGCC staff and cannot be approved based on the information submitted; therefore, the COGCC is placing this form ON HOLD until additional information is received from the applicant.</p> <p>In compliance with § 24-65.1-108(1), C.R.S., the COGCC is providing this written request for all additional information necessary for the COGCC to respond to this application. The applicant may provide all requested additional information to COGCC via email. Upon receipt of all requested information, the COGCC will have 60 days in which to approve, deny, or request all additional information necessary to complete the regulatory review. If the applicant no longer requires this application be approved, the applicant may request to withdraw the application.</p> <p>In addition to all standard required information and attachments, the COGCC hereby confirms the following information is necessary for review: 1. Pertaining to Objective Criteria #1: Provide a summary, no sooner than May 3rd, of any questions or concerns received by Noble from the surrounding building units from Loc ID 456625 that received the COGCC Health Study Fact Sheet sent out on 4/23/2020 by Noble.</p>	04/28/2020
Permit	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, and welfare and the environment, including wildlife resources set by SB 19-181. The Objective Criteria Review Memo (Doc# 1347901) can be found in the document file for Location ID 456625.	04/28/2020
Permit	<p>Made the following changes with concurrence from the operator:</p> <ul style="list-style-type: none"> •Removal of comment on submit tab regarding processing time used in CDP#11984. •Date WOGLA was filed was corrected to match others on the adjacent pad - 4/17/2018. •Corrected the distance from the completed portion of this wellbore to the nearest completed portion of the well that produces or will produce from the same formation and is subject to that same spacing order, and the comment on the submit tab regarding the offset well. <p>•Permitting review complete and task passed.</p>	04/23/2020
Engineer	Offset Wells Evaluated	03/26/2020
Permit	Passed completeness.	02/28/2020

Total: 7 comment(s)