

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:  
402385100  
**(SUBMITTED)**

APPLICATION FOR PERMIT TO:

Drill  Deepen  Re-enter  Recomplete and Operate

Date Received:

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

Refiling

ZONE TYPE SINGLE ZONE  MULTIPLE ZONES  COMMINGLE ZONES

Sidetrack

Well Name: NELSON Well Number: 35-15HZ  
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: Samantha Petite Phone: (720)929-3167 Fax: ( )  
Email: Samantha\_Petite@oxy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20010124

WELL LOCATION INFORMATION

QtrQtr: NENW Sec: 35 Twp: 2N Rng: 68W Meridian: 6  
Latitude: 40.101355 Longitude: -104.972602  
Footage at Surface: 336 Feet FNL/FSL 2039 Feet FEL/FWL FWL  
Field Name: WATTENBERG Field Number: 90750  
Ground Elevation: 4953 County: WELD  
GPS Data: GPS Quality Value: 1.4 Type of GPS Quality Value: PDOP Date of Measurement: 12/09/2019  
Instrument Operator's Name: NICK KACZMARCZYK  
If well is  Directional  Horizontal (highly deviated) **submit deviated drilling plan.**  
Footage at Top of Prod Zone: FNL/FSL 50 FSL 620 FWL 2311 FNL 584 FWL 2311  
Bottom Hole: FNL/FSL 584 FWL 2311  
Sec: 26 Twp: 2N Rng: 68W Sec: 23 Twp: 2N Rng: 68W

LOCAL GOVERNMENT INFORMATION

County: WELD Municipality: Frederick

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: Municipality

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: Special Use Permit

The local government siting permit was filed on: 07/11/2019

The disposition of the application filed with the local government is: In Process

Additional explanation of local process:

The NELSON 28-35HZ is located within the town of Frederick.  
Kerr McGee Onshore LP (KMG) met with town of Frederick Planning Department staff for a pre-application meeting on 3/19/19.  
KMG Hosted a community meeting on 5/22/19 at the Frederick Town Hall. Invites were sent to residents 1 mile from the pad.  
The NELSON 28-35HZ Special Use Permit Application was submitted on 7/11/2019 and is currently in process.  
The Emergency Action plan was approved by the Frederick-Firestone Fire Department on March 20, 2020.  
The Haul route was agreed upon the Town of Frederick during the local government permitting 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 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.)

Township 2 North, Range 68 West, 6th P.M.

Section 35: ALL

Weld County, Colorado

The completed portion of the wellbore does not penetrate the described lease, but the lease is within the unit.

Total Acres in Described Lease: 640 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: 1730 Feet

Building Unit: 1730 Feet

High Occupancy Building Unit: 4446 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 318 Feet

Above Ground Utility: 381 Feet

Railroad: 5280 Feet

Property Line: 336 Feet

School Facility: 4446 Feet

School Property Line: 4022 Feet

Child Care Center: 4617 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: 134 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 584 Feet (Enter 5280 for distance greater than 1 mile.)

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

**SPACING & FORMATIONS COMMENTS**

PROPOSED SPACING UNIT  
 02N68W SEC 23:SWNW,W2SW;  
 02N68W SEC 26:W2W2;  
 02N68W SEC 35:NWNW  
 Weld County, Colorado

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.)
CODELL	CODL		320	GWA

## DRILLING PROGRAM

Proposed Total Measured Depth: 16446 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: 151 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 attached Waste Management Plan for description on the associated 2A.

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	16436	1944	16436	

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.

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

Horizontal well names have been updated since the time the Exception Location Waiver was executed. As stated in the Exception Location Waiver, KMG reserves the right to change any of the well names listed at its discretion.

KMG opted to not check the box in the surface and mineral tab [mineral owners have signed the oil and gas lease] because one of the three owners did not sign the oil and gas lease. All three owners have signed the attached surface use agreement.

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

Location ID: 476531

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: Samantha Petite

Title: Regulatory Analyst Date: \_\_\_\_\_ 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.

COA Type

Description

COA Type	Description

## Best Management Practices

<b>No</b>	<b>BMP/COA Type</b>	<b>Description</b>
1	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.
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	Open Hole Logging Exception: One of the first wells drilled on the pad will be logged with cased-hole neutron 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 in that well and have those logs attached. The Form 5 for each well shall state "Open Hole Logging Exception - 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)

### Attachment Check List

<b>Att Doc Num</b>	<b>Name</b>
402416878	OFFSET WELL EVALUATION
402416880	DIRECTIONAL DATA
402416881	DEVIATED DRILLING PLAN
402416885	PROPOSED SPACING UNIT
402416887	WELL LOCATION PLAT
402416893	EXCEPTION LOC WAIVERS
402416896	GIS BUFFER REVIEW/ANALYSIS
402419979	SURFACE AGRMT/SURETY
402420802	OPEN HOLE LOGGING EXCEPTION
402421046	EXCEPTION LOC REQUEST

Total Attach: 10 Files

### General Comments

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
		Stamp Upon Approval

Total: 0 comment(s)

**Public Comments**

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

