

APPLICATION FOR PERMIT TO:

Drill

 Deepen

 Re-enter

 Recomplete and Operate

Date Received:
 10/07/2019

TYPE OF WELL	OIL <input type="checkbox"/>	GAS <input checked="" type="checkbox"/>	COALBED <input type="checkbox"/>	OTHER: _____
ZONE TYPE	SINGLE ZONE <input checked="" type="checkbox"/>	MULTIPLE ZONES <input type="checkbox"/>	COMMINGLE ZONES <input type="checkbox"/>	

Refiling
 Sidetrack

Well Name: <u>RNPU</u>	Well Number: <u>197-3A2H</u>
Name of Operator: <u>XTO ENERGY INC</u>	COGCC Operator Number: <u>100264</u>
Address: <u>110 W 7TH STREET</u>	
City: <u>FORT WORTH</u>	State: <u>TX</u> Zip: <u>76102</u>
Contact Name: <u>ALICE YAUGER</u>	Phone: <u>(817)378-5312</u> Fax: ()
Email: <u>ALICE_YAUGER@XTOENERGY.COM</u>	

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: _____

WELL LOCATION INFORMATION

QtrQtr: SWSE Sec: 3 Twp: 1S Rng: 97W Meridian: 6
 Latitude: 39.988490 Longitude: -108.266866

Footage at Surface: <u>762</u> Feet	FNL/FSL	Footage at Surface: <u>2220</u> Feet	FEL/FWL
FSL	FSL	FEL	FEL

Field Name: PICEANCE CREEK Field Number: 68800
 Ground Elevation: 6451 County: RIO BLANCO

GPS Data: GPS Quality Value: 1.8 Type of GPS Quality Value: PDOP Date of Measurement: 02/27/2019
 Instrument Operator's Name: DAYTON SLAUGH, D.P.

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
1129	FSL	1609	700	FNL	1338
FSL	FEL	FEL	FNL	FWL	FWL
Sec: <u>3</u>	Twp: <u>1S</u>	Rng: <u>97W</u>	Sec: <u>1</u>	Twp: <u>1S</u>	Rng: <u>97W</u>

LOCAL GOVERNMENT INFORMATION

County: RIO BLANCO 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: SUBP

The local government siting permit was filed on: 09/23/2019

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

Additional explanation of local process:

The county permit was approved on 9/25/2019. The application includes drafts of the COGCC and BLM permit applications. Once both agencies approve the permit applications a copy of the approved permits will be sent to Rio Blanco County for their records. A copy of the approved county permit (File Name "RNPU 197-3A2H Appr RBC Well Permit App 092519" is attached under "OTHER" description.

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.)

Township 1S, Range 97W
All of Sections 5 & 4;
NW4, SW4, SE4, SWNE, SENE of Section 3;
NE 1/4 of Section 10
This wellbore crosses and will produce multiple leases.

Total Acres in Described Lease: 2528 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # COC061713

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 4400 Feet
Above Ground Utility: 5280 Feet
Railroad: 5280 Feet
Property Line: 3542 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: 5280 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 4162 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): REV NORTH PICEA Unit Number: COC077039X

SPACING & FORMATIONS COMMENTS

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.)
FORT UNION	FTUN			
GARDEN GULCH	GDNG			
ILES	ILES	1-229		
WASATCH	WSTC			
WILLIAMS FORK	WMFK	1-229		

DRILLING PROGRAM

Proposed Total Measured Depth: 22085 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: _____ 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? Yes

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 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

Offsite Commercial Disposal and/or Onsite Beneficial Reuse for cuttings that meet COGCC table 910-1 standards.

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	24+0/0	20+0/0	.45	0	120	100	120	0
SURF	17+1/2	13+3/8	68	0	4950	2020	4950	0
1ST	12+1/4	9+5/8	40	0	11000	1040	11000	4450
2ND	8+3/4	7+0/0	32	0	12258	220	12258	10500
2ND LINER	6+0/0	4+1/2	15.1	10800	22085	350	22085	11900
	17+1/2	13+3/8	Stage Tool		2200			

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 application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 316551

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: ALICE YAUGER

Title: PERMITTING ANALYST Date: 10/7/2019 Email: ALICE_YAUGER@XTOENERG

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: 9/16/2020

Expiration Date: 09/15/2022

API NUMBER
05 103 12454 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	<p>1) Operator shall comply with the most current revision of the Northwest Notification Policy.</p> <p>2) Operator shall provide cement coverage from the first string casing shoe (9 5/8" FIRST STRING) to a minimum of 200' above all Mesaverde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify first string casing cement coverage with a cement bond log.</p> <p>3) Salt-based drilling fluid is to be used only after all fresh water aquifers are covered.</p>
Interim Reclamation	1. Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operation (dated January 5, 2017).
Construction	1. If conductors are preset, Operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016, revised October 6, 2016).

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Construction	<p>-A Field Wide Stormwater Management Plan (SWMP) for the Piceance Creek Program is on file at the XTO Energy Inc.(21459 CR5, Rifle, CO, 81650) office. A Site Specific SWMP including a Site Plan is in place for this location.</p> <p>-Spill Prevention, Control and Countermeasures (SPCC) for the Piceance Creek Program is on file at the XTO Energy Inc. (21459 CR5, Rifle, CO, 81650) office. The Field Wide and Site Specific SWMPs each address SPCC during construction operations.</p> <p>-Inspections of the project site and maintenance of installed BMP's shall be conducted in accordance with the CDPHE CDPS permit and field wide plan.</p>
2	Drilling/Completion Operations	Open-hole Resistivity Log with Gamma Ray Log will be run from the kick-off point into the surface casing. A Cement Bond Log with Gamma-Ray will be run on production casing, or on intermediate casing if a production liner is run. The horizontal portion of the wellbore will be logged with a measured-while-drilling gamma-ray log. The Form 5, Completion Report, will list all logs run and have those logs attached.

Total: 2 comment(s)

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.
http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf

Notice Concerning Operating Requirements for Wildlife Protection.
http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401972082	FORM 2 SUBMITTED
402111623	DIRECTIONAL DATA
402200242	DEVIATED DRILLING PLAN
402200253	WELLBORE DIAGRAM
402202360	WELL LOCATION PLAT

402202377	OTHER
402203870	OffsetWellEvaluations Data
402203885	OffsetWellEvaluations Data
402490553	OFFSET WELL EVALUATION

Total Attach: 9 Files

General Comments

User Group	Comment	Comment Date
Permit	Final Review Completed.	08/13/2020
Engineer	<p>Added 13 3/8" stage tool at 2200' to casing program</p> <p>Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information in addition to locally-available geophysical logs and hydrogeologic information was used to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 270 feet.</p> <p>Offset Well Evaluation: Existing offset oil and gas wells within 1,500 feet of this wellbore meet standards. No mitigation required. Only offset well within 1500 ft. is XTO RNPU 197-3A1 4 1/2" First Liner cement top confirmed with CBL DOC#1354428 at 6020' and the Ohio Creek top is 8030'.</p>	08/12/2020
OGLA	08/12/2020 - director review completed on 08-11-20; passed OGLA-181 and OGLA tasks on this Form 2; the Objective Criteria Review Memo (Doc# 2109294) is attached to the Form 2A #402144616; 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.	08/12/2020
Permit	<ul style="list-style-type: none"> -Corrected lease description of Section 3 to simplify and add missing acres -Distance to nearest unit boundary corrected from 4514 to 4162 -All corrections made with operator concurrence. 	01/09/2020
Permit	Passed completeness.	10/10/2019
Permit	<p>Well location plat not attached. Location ID should be entered.</p> <p>Return to draft.</p>	10/08/2019

Total: 6 comment(s)