

FORM

2

Rev
12/20

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:

402519852

Date Received:

03/03/2021

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
Amend ☐Refile ☒Sidetrack ☐TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: _____ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Well Name: Wakeman Well Number: 20-17-3NAH

Name of Operator: PROVIDENCE OPERATING LLC DBA POCO OPERATING COGCC Operator Number: 10694

Address: 16400 DALLAS PARKWAY SUITE 400

City: DALLAS State: TX Zip: 75428

Contact Name: Meghan Grimes Phone: (720)441-0720 Fax: ()

Email: mgrimes@providence-energy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20180056

WELL LOCATION INFORMATION

Surface Location

QtrQtr: SWSE Sec: 20 Twp: 1S Rng: 65W Meridian: 6

Footage at Surface: 293 Feet FSL 2098 Feet FEL

Latitude: 39.944060 Longitude: -104.685800

GPS Data: GPS Quality Value: 2.1 Type of GPS Quality Value: PDOP Date of Measurement: 09/08/2017Ground Elevation: 5199Field Name: WATTENBERG Field Number: 90750Well Plan: is ☐ Directional ☒ Horizontal (highly deviated) ☐ Vertical

If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.

Subsurface Locations

Top of Productive Zone (TPZ)

Sec: 20 Twp: 1S Rng: 65W Footage at TPZ: 460 FSL 1748 FEL

Measured Depth of TPZ: 7573 True Vertical Depth of TPZ: 7220 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 17 Twp: 1S Rng: 65W Footage at TPZ: 460 FNL 1748 FEL

Measured Depth of TPZ: 17271 True Vertical Depth of TPZ: 7220 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 17 Twp: 1S Rng: 65W Footage at BHL: 355 FNL 1748 FEL

FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: ADAMSMunicipality: N/A

Is the Surface Location of this Well in an area designated as one of State interest and subject to the requirements of § 24-65.1-108 C.R.S.? No

Per § 34-60-106(1)(f)(I)(A) C.R.S., the following questions pertain to the Relevant Local Government approval of the siting of the proposed Oil and Gas Location.

SB 19-181 provides that when "applying for a permit to drill," operators must include proof that they sought a local government siting permit and the disposition of that permit application, or that the local government does not have siting regulations. § 34-60-106(1)(f)(I)(A) C.R.S.

Does the Relevant Local Government regulate the siting of Oil and Gas Locations, with respect to this Location? ☒ 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 disposition of the application filed with the Relevant Local Government is: Approved Date of Final Disposition: 11/13/2018

Comments: The AUSR, Case Number USR2018-00003, was approved on November 13, 2018.

SURFACE AND MINERAL OWNERSHIP AT WELL'S OIL & GAS LOCATION

Surface Owner of the land at this Well's Oil and Gas Location: ☒ Fee ☐ State ☐ Federal ☐ Indian

Mineral Owner beneath this Well's Oil and Gas Location: ☒ Fee ☐ State ☐ Federal ☐ Indian

Surface Owner Protection Financial Assurance (if applicable): _____ Surety ID Number (if applicable): _____

MINERALS DEVELOPED BY WELL

The ownership of all the minerals that will be developed by this Well is (check all that apply):

- ☒ Fee
☐ State
☐ Federal
☐ Indian
☐ N/A

LEASE INFORMATION

Using standard QtrQtr, Section, Township, Range format describe one entire mineral lease as follows:

* If this Well is within a unit, describe a lease that will be developed by the Well.

* If this Well is not subject to a unit, describe the lease that will be produced by the Well.

(Attach a Lease Map or Lease Description or Lease if necessary.)

T1S R65W Sec. 17: NW

Total Acres in Described Lease: 160 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # _____

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 1433 Feet
Building Unit: 1703 Feet
Public Road: 2089 Feet
Above Ground Utility: 320 Feet
Railroad: 5280 Feet

INSTRUCTIONS:

- Specify all distances per Rule 308.b.(1).
- 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 – as defined in 100 Series Rules.

Property Line: 293 Feet

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	407-2516	1280	T1S R65W: Sec. 17 & 20: All

Federal or State Unit Name (if appl):

Unit Number:

SUBSURFACE MINERAL SETBACKS

Enter 5280 for distance greater than 1 mile.

Is this Well within a unit? Yes

If YES:

Enter the minimum distance from the Completed Zone of this Well to the Unit Boundary: 460 Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well within the same unit permitted or completed in the same formation: 344 Feet

If NO:

Enter the minimum distance from the Completed Zone of this Well to the Lease Line of the described lease: Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well producing from the same lease and permitted or completed in the same formation: Feet

Exception Location

☐ If this Well requires the approval of a Rule 401.c Exception Location, enter the Rule or spacing order number and attach the Exception Location Request and Waivers.

SPACING & FORMATIONS COMMENTS

DRILLING PROGRAM

Proposed Total Measured Depth: 17376 Feet

TVD at Proposed Total Measured Depth 7220 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: 351 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 Plan unless a plan was already submitted with the Form 2A per Rule 304.c.(10).

Will there be hydraulic fracture treatment at a depth less than 2,000 feet in this well? No

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

Beneficial reuse or land application plan submitted?

Reuse Facility ID: or Document Number:

CASING PROGRAM

<u>Casing Type</u>	<u>Size of Hole</u>	<u>Size of Casing</u>	<u>Grade</u>	<u>Wt/Ft</u>	<u>Csg/Liner Top</u>	<u>Setting Depth</u>	<u>Sacks Cmt</u>	<u>Cmt Btm</u>	<u>Cmt Top</u>
SURF	13+1/2	9+5/8	J55	36	0	1800	630	1800	0
1ST	8+1/2	5+1/2	P110	20	0	17376	2750	17376	

☒ Conductor Casing is NOT planned

POTENTIAL FLOW AND CONFINING FORMATIONS

<u>Zone Type</u>	<u>Formation /Hazard</u>	<u>Top M.D.</u>	<u>Top T.V.D.</u>	<u>Bottom M.D.</u>	<u>Bottom T.V.D.</u>	<u>TDS (mg/L)</u>	<u>Data Source</u>	<u>Comment</u>
Groundwater	Fox Hills	1500	1500	2385	2380	501-1000	DWR	Surface string of casing will cover the groundwater zone and be cemented to surface.
Confining Layer	Pierre Shale	2385	2380	4867	4870			
Hydrocarbon	Sussex/Shannon	4867	4870	5108	5090			
Confining Layer	Lower Pierre Shale	5108	5090	7407	7192			
Hydrocarbon	Niobrara	7507	7211	17376	7220			

OPERATOR COMMENTS AND SUBMITTAL

Comments Distance from completed portion of the wellbore to nearest wellbore permitted or completed in the same formation was measured to the Wakeman 20-17-3NBH in 3D.

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged well was measured to the producing Box Elder 32-20 (API No. 05-001-09383) owned and operated by Verdad Resources LLC.

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 460' FNL and 1,748' FEL of Section 17. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

The Wakeman Pad Form 2A OGLA is valid until 01/24/22; therefore, an OGDP is not required.

This is a refile Form 2. This location has not been built. Minor changes have been made to this permit. The OWE and distances have been reviewed and revised.

Distance to the nearest public road has been updated with a corrected distance.

Notices were sent to all parcels within 1/2 mile of the property line that the pad is proposed on during the Adams County permit process. The Operator held a neighborhood meeting on May 17, 2018.

This application is in a Comprehensive Area Plan No CAP #: _____

Oil and Gas Development Plan Name _____ OGDP ID#: _____

Location ID: 461092

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Andrea Gross

Title: Permit Agent Date: 3/3/2021 Email: agross@upstreampm.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 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: 5/10/2021

Expiration Date: 05/09/2024

API NUMBER
05 001 10391 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.

Condition of Approval

<u>COA Type</u>	<u>Description</u>
Drilling/Completion Operations	1) Submit Form 42 electronically to COGCC 2 business days prior to MIRU (spud notice) for the first well activity with a rig on the pad and provide 2 business day spud notice via Form 42 for all subsequent wells drilled on the pad. 2) Comply with Rule 408.j. and provide cement coverage from TD to a minimum of 500' above Niobrara. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after all fresh water aquifers are covered.
Drilling/Completion Operations	Operator acknowledges the proximity of the following non-operated 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. 001-06783 Putnam 41-18 001-07623 Melissa 1 001-08274 Wolfe 1 001-08859 Amoco 44-17
Drilling/Completion Operations	Operator acknowledges the proximity of the listed non-operated well: Operator agrees to: provide mitigation option 3 (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 these wells. 001-06979 Box Elder Farms 41-20
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.
Construction	If location is not constructed by 2A expiration (01/24/22), a refile Form 2A must be approved prior to location construction.
6 COAs	

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Wellbore Collision Prevention -Rule 408.t: Prior to drilling 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. The Operator will give notice to all offset Operators prior to drilling.
2	Drilling/Completion Operations	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 to 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 (by API#, well name & number) the well in which open-hole logs were run.

Total: 2 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 List

Att Doc Num	Name
402519852	FORM 2 SUBMITTED
402589442	OffsetWellEvaluations Data
402683490	OFFSET WELL EVALUATION

Total Attach: 3 Files

General Comments

User Group	Comment	Comment Date
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry Doc #402631126 in Location #461092 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	05/07/2021
Permit	Final Review Completed.	03/31/2021
Permit	Permitting review complete.	03/19/2021
OGLA	Requested operator submit a Sundry for the location to update the nuisance mitigation BMPs and the Waste Management Plan.	03/11/2021
Permit	Distance to public road has changed from approved APD; please confirm. Anti-Collision BMP refers to old rule number. Bradenhead BMP should be updated to Rule 419.b. Return to draft.	02/11/2021

Total: 5 comment(s)