

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:

402679647

(SUBMITTED)

Date Received:

05/14/2021

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: ELDER Well Number: 7X-HC-09-07-65  
Name of Operator: NICKEL ROAD OPERATING LLC COGCC Operator Number: 10669  
Address: 1600 STOUT STREET SUITE 1850  
City: DENVER State: CO Zip: 80202  
Contact Name: Erin Lind Phone: (314)374-5572 Fax: ( )  
Email: erin.lind@nickelroadoperating.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20200034

WELL LOCATION INFORMATION

Surface Location

QtrQtr: NWSW Sec: 11 Twp: 7N Rng: 65W Meridian: 6  
Footage at Surface: 2084 Feet FSL 182 Feet FWL  
Latitude: 40.586658 Longitude: -104.638671  
GPS Data: GPS Quality Value: 1.3 Type of GPS Quality Value: PDOP Date of Measurement: 01/25/2018  
Ground Elevation: 4866  
Field Name: WATTENBERG Field Number: 90750

Well 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: 10 Twp: 7N Rng: 65W Footage at TPZ: 1068 FSL 460 FEL  
Measured Depth of TPZ: 7724 True Vertical Depth of TPZ: 7241 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)  
Sec: 9 Twp: 7N Rng: 65W Footage at BPZ: 1078 FSL 460 FWL  
Measured Depth of BPZ: 17374 True Vertical Depth of BPZ: 7302 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)  
Sec: 9 Twp: 7N Rng: 65W Footage at BHL: 1078 FSL 460 FWL  
FNL/FSL FEL/FWL

## LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD

Municipality: 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.? Yes

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: 06/14/2019

Comments: WOGLA 19-0031

## 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.)

SEC. 10-T7N-R65W: N/2NW

Total Acres in Described Lease: 80 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # \_\_\_\_\_

### SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 2819 Feet  
Building Unit: 2819 Feet  
Public Road: 2063 Feet  
Above Ground Utility: 2029 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.

Railroad: 5280 Feet  
Property Line: 182 Feet

### 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	407-2580	1280	SEC. 9 & 10: 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: 196 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: 17374 Feet TVD at Proposed Total Measured Depth 7302 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: 920 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 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? No

Reuse Facility ID: \_\_\_\_\_ or Document Number: \_\_\_\_\_

## CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1800	525	1800	0
1ST	8+1/2	5+1/2	HCP110	20	0	17374	2390	17374	1000

Conductor Casing is NOT planned

## POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	Top M.D.	Top T.V.D.	Bottom M.D.	Bottom T.V.D.	TDS (mg/L)	Data Source	Comment
Groundwater	Laramie-Fox Hills	434	434	594	594	1001-10000	Other	CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	Upper Pierre	768	768	1750	1728	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	Pierre Shale	1750	1728	4600	4531			
Hydrocarbon	Sussex	4600	4531	5150	5088			
Hydrocarbon	Shannon	5150	5088	5175	5117			
Confining Layer	Pierre Shale	5175	5117	7050	6938			
Hydrocarbon	Niobrara	7050	6938	7500	7209			
Confining Layer	Fort Hays	7500	7209	7600	7231			
Hydrocarbon	Codell	7600	7231	17374	7302			Btm MD=TD, Btm TVD=TVD @ BHL

## OPERATOR COMMENTS AND SUBMITTAL

Comments

Distance from completed portion to nearest completed portion of wellbore permitted/completed in the same formation measured to the proposed ELDER 7X-HNB-09-07-65. Distance measured in 3D anti-collision.

Distance to nearest wellbore belonging to another operator well is measured to the East Ault 5-7-8HC (API #123-47060), DG status. Distance measured in 2D map view.

This location has been built and contains 3 wells with PR status. The following changes from the previously approved Form 2 are being made via this refile:

- Offset Well Evaluation: updated list of wells in new template attached
- Offset Well Distances: updated to reflect recent activity
- Casing / Cement Program: setting depth, casing size and sacks of cement for Surface String and cement top for First String (production casing) updated

No other changes to this Form 2 are proposed at this time. Attachments have not been provided except as identified above as no changes are proposed.

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

Oil and Gas Development Plan Name \_\_\_\_\_ OGDID #: \_\_\_\_\_

Location ID: 465636

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

Signed: \_\_\_\_\_ Print Name: Erin Lind

Title: Senior Regulatory Analyst Date: 5/14/2021 Email: erin.lind@nickelroadoperating.c

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: \_\_\_\_\_

<b>API NUMBER</b>
05 123 50245 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>

### Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Anti-collision: 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.
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.
3	Drilling/Completion Operations	Operator acknowledges and will comply with COGCC policy for Bradenhead Monitoring during Hydraulic Fracturing treatments in the Greater Wattenberg Area dated May 29, 2012.

Total: 3 comment(s)

### Attachment List

<u>Att Doc Num</u>	<u>Name</u>
402687398	OffsetWellEvaluations Data

Total Attach: 1 Files

### General Comments

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

Total: 0 comment(s)

**Public Comments**

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

