

FORM

2

Rev
05/22

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:

403118919

Date Received:

08/01/2022

APPLICATION FOR PERMIT TO

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
Amend ☐
 TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: _____
Refile ☒
 ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐
Sidetrack ☐Well Name: JudyWell Number: 3-11-2LName of Operator: CONFLUENCE DJ LLCCOGCC Operator Number: 10518Address: 1125 17TH STREET #1550City: DENVERState: COZip: 80202Contact Name: Brittany RothePhone: (303)226-9519Fax: ()Email: brothe@confluencelp.com

FINANCIAL ASSURANCE FOR PLUGGING, ABANDONMENT, AND RECLAMATION

COGCC Financial Assurance

☒ The Operator has provided or will provide Financial Assurance to the COGCC for this Well.Surety ID Number (if applicable): 20160056

Federal Financial Assurance

☐ In checking this box, the Operator certifies that it has provided or will provide at least this amount of Financial Assurance to the federal government for this Well. (Per Rule702.a.)

Amount of Federal Financial Assurance \$ _____

WELL LOCATION INFORMATION

Surface Location

QtrQtr: SWSW Sec: 34 Twp: 1N Rng: 65W Meridian: 6
 Footage at Surface: 620 Feet FSL 768 Feet FWL
Latitude: 40.002250 Longitude: -104.656810GPS Data: GPS Quality Value: 1.2 Type of GPS Quality Value: PDOPDate of Measurement: 06/14/2022Ground Elevation: 5141Field Name: WATTENBERGField 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: 3 Twp: 1S Rng: 65WFootage at TPZ: 360 FNL 240 FWLMeasured Depth of TPZ: 7737True Vertical Depth of TPZ: 7272 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 10 Twp: 1S Rng: 65W Footage at BPZ: 610 FSL 240 FWL
Measured Depth of BPZ: 17073 True Vertical Depth of BPZ: 7272 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 10 Twp: 1S Rng: 65W Footage at BHL: 610 FSL 240 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: 03/19/2018

Comments: The WOGLA was approved on 03/19/2018.

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 Bond (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. 3: N/2

Total Acres in Described Lease: 286 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease #

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 852 Feet
Building Unit: 1046 Feet
Public Road: 604 Feet
Above Ground Utility: 987 Feet
Railroad: 5280 Feet
Property Line: 553 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.

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	407-3338	1280	T1S-R65W Sec 3 & 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: 240 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: 280 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: 17073 Feet

TVD at Proposed Total Measured Depth 7272 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: 195 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>
CONDUCTOR	26	16	A52A	43	0	80	400	80	0
SURF	13+1/2	9+5/8	J55	36	0	2500	1190	2500	0
1ST	8+1/2	5+1/2	P110	20	0	17073	1838	17073	

☐ 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	Upper Arapahoe	0	0	541	541	501-1000	DWR	
Groundwater	Lower Arapahoe	541	541	1197	1197	501-1000	DWR	
Groundwater	Laramie-Fox Hills	1197	1197	1428	1428	501-1000	USGS	Top & bottom depth from DWR
Groundwater	Upper Pierre	1428	1428	2284	2284	1001-10000	Other	COGCC: Upper Pierre Aquifer Water Quality Study, Project #2141
Confining Layer	Pierre Shale	2284	2284	4676	4668			
Hydrocarbon	Sussex	4676	4668	4961	4947			Non-productive horizon.
Confining Layer	Pierre Shale	4961	4947	5428	5405			
Hydrocarbon	Shannon	5428	5405	5782	5752			Non-productive horizon.
Confining Layer	Pierre Shale	5782	5752	7187	7073			
Subsurface Hazard	Sharon Springs	7187	7073	7202	7084			
Hydrocarbon	Niobrara	7202	7084	7737	7272			

OPERATOR COMMENTS AND SUBMITTAL

Comments

Distance from completed zone of this wellbore to nearest completed zone of an offset well within the same unit permitted or completed in the same formation was measured to the proposed Judy 3-3-4L in 2D.

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells was measured to the PA Jordan 34-9L (05-123-12937) Operated by Berge Exploration

This is a Form 2 Refile.

Changes to the original approved Form 2 are: Name change, top of productive interval, bottom hole location, total depth, casing and cement program.

The API numbers being used for these APD's are for permits that have been abandoned by Confluence.

This location has been built; therefore, an OGDG is not required.

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

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

Location ID: 449244

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: 8/1/2022 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: 9/7/2022

Expiration Date: 09/06/2025

API NUMBER

05 123 47945 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>
Interim Reclamation	Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017).
Construction	If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016).
Drilling/Completion Operations	Operator acknowledges the proximity of the listed non-operated wells. Operator assures that this offset list will be remediated per the Offset Well Evaluation and Hydraulic Fracturing Operator Guidance Document Operator using Option 3. Operator will submit a Form 42 ("OFFSET MITIGATION COMPLETED") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. 001-09279UPV #3-2M5 123-12937JORDAN #34-9 001-06302KALLSEN #14-10 123-12691JORDAN #34-6 123-19677HSR-Cherry Knolls 9-33 001-08179RMPCO-UPRR-PENROD #1
Drilling/Completion Operations	Operator acknowledges the proximity of the non-operated listed wells. Operator agrees to: provide mitigation option 1 or 2 (per the Offset Well Evaluation and Hydraulic Fracturing Operator Guidance Document) 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") stating that appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. 001-07072KALLSEN #14-10X 123-12567Jordan #34-3 123-12670JORDAN #34-5 123-12709JORDAN #34-4 001-09470KALLSEN #1-10 001-09558AMOCO STATE #41-16
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 is observed or if there is continuous flow, Operator must contact COGCC engineering for approval prior to stimulation. 2) If a delayed completion, a second test is required between 6-9 months after rig release and must be conducted prior to stimulation. If any pressure greater than 200 psi is observed or if there is continuous flow, Operator must contact COGCC engineering for approval 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 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 a cement bond log.
6 COAs	

Best Management Practices

No	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Alternative Logging Program: The Judy 3-4 (API No. 05-123-50294-00) well drilled on the pad was logged with an open-hole Resistivity Log and 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 clearly state "Alternative Logging Program - No open-hole logs were run. The Judy 3-4 (API No. 05-123-50294-00) is the well in which open-hole logs were run."
2	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.

Total: 2 comment(s)

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
403118919	FORM 2 SUBMITTED
403119330	WELL LOCATION PLAT
403119331	DEVIATED DRILLING PLAN
403119336	DIRECTIONAL DATA
403122355	OffsetWellEvaluations Data
403158700	OFFSET WELL EVALUATION

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	With operators concurrence updated Open Hole Logging BMP. Final Review Completed.	09/06/2022
OGLA	This Location (ID #449244) and its associated Form 2A materials were fully reviewed during the OGLA review of this APD in accordance with current Rules. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources.	08/15/2022

Total: 2 comment(s)