

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:

403098281

(SUBMITTED)

Date Received:

10/18/2022

APPLICATION FOR PERMIT TO

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

Amend ☐

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: _____

Refill ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: SWARTZ Well Number: 4-12HZ
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: RYAN SEASTROM Phone: (720)929-3139 Fax: ()
Email: Ryan_Seastrom@oxy.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): 20010124

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: NWNE Sec: 4 Twp: 3N Rng: 67W Meridian: 6

FNL/FSL

FEL/FWL

Footage at Surface: 741 Feet FNL 1602 Feet FEL

Latitude: 40.260110 Longitude: -104.891800

GPS Data: GPS Quality Value: 1.8 Type of GPS Quality Value: PDOP Date of Measurement: 12/14/2021

Ground Elevation: 4826

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: 4 Twp: 3N Rng: 67W Footage at TPZ: 1711 FNL 1899 FEL
Measured Depth of TPZ: 7644 True Vertical Depth of TPZ: 7016 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)Sec: 1 Twp: 3N Rng: 67WFootage at BPZ: 1578 FNL 2425 FWLMeasured Depth of BPZ: 22380True Vertical Depth of BPZ: 7162 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 1 Twp: 3N Rng: 67WFootage at BHL: 1578 FNL 2425 FWL

FNL/FSL

FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATIONCounty: WELDMunicipality: 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: 06/30/2022Comments: The Swartz 2-4HZ Pad 1041WOGLA21-0027 was approved on 6/30/2022.**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 ☐ IndianMineral 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.)

Township 3 North, Range 67 West, 6th P.M.
Section 4: Lot 1, S2NE (NE)
Weld County, Colorado

See attached Lease Map.

Total Acres in Described Lease: 162

Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease #

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 618 Feet
Building Unit: 847 Feet
Public Road: 726 Feet
Above Ground Utility: 631 Feet
Railroad: 5280 Feet
Property Line: 511 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 | 4073374 | 3440 | T3N-67W;1:NW4;2:N2;3:N2;4:N2;5:N2;6:N2;T3N-68W;1:N2;T4N-67W;31:S2;32:S2;33:S2 34:S2;T4N-68W;36:E2SE4 |

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: 211 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: 418 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: 22380 Feet

TVD at Proposed Total Measured Depth 7162 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: 818 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? Yes

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 | ASTM A53 B | 36.94 | 0 | 80 | 64 | 80 | 0 |
| SURF | 13+1/2 | 9+5/8 | L80 | 36 | 0 | 1500 | 590 | 1500 | 0 |
| 1ST | 7+7/8 | 5+1/2 | HCP110 | 17 | 0 | 22370 | 2558 | 22370 | 1000 |

☐ 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 | 0 | 0 | 127 | 127 | 501-1000 | USGS | Depth data from DWR |
| Confining Layer | Pierre Shale | 128 | 128 | 398 | 398 | | | |
| Groundwater | Upper Pierre Aquifer | 399 | 399 | 1271 | 1263 | 501-1000 | Electric Log Calculation | |
| Confining Layer | Pierre Shale | 1272 | 1264 | 4263 | 4077 | | | |
| Hydrocarbon | Sussex | 4264 | 4078 | 4498 | 4297 | | | Non-productive |
| Confining Layer | Pierre Shale | 4499 | 4298 | 4805 | 4588 | | | |
| Hydrocarbon | Shannon | 4806 | 4589 | 4891 | 4671 | | | Non-productive |
| Confining Layer | Pierre Shale | 4892 | 4672 | 7176 | 6864 | | | |
| Hydrocarbon | Niobrara | 7177 | 6865 | 0 | 0 | | | |

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 included on this permit for review as an attachment labeled 'Other'.

Base of Productive Zone is the same as Bottom Hole Location.

The nearest offset wellbore permitted or completed in the same formation is: Swartz 4-14HZ: DOC ID #403098283

This application is in a Comprehensive Area Plan _____ CAP #: _____
 Oil and Gas Development Plan Name Democrat OGDG OGDG ID#: 482251
 Location ID: 482983

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

Signed: _____ Print Name: RYAN SEASTROM

Title: REGULATORY ANALYST Date: 10/18/2022 Email: DJRegulatory@oxy.com

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

| | |
|-------|--|
| 0 COA | |
|-------|--|

Best Management Practices

No BMP/COA Type

Description

| | | |
|---|--------------------------------|--|
| 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 List

Att Doc Num

Name

| | |
|-----------|-----------------------------|
| 403140300 | DIRECTIONAL DATA |
| 403140301 | DEVIATED DRILLING PLAN |
| 403140302 | WELL LOCATION PLAT |
| 403192797 | OFFSET WELL EVALUATION |
| 403192805 | OTHER |
| 403192806 | LEASE MAP |
| 403201245 | OPEN HOLE LOGGING EXCEPTION |

Total Attach: 7 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.

