

FORM 2 Rev 05/22

State of Colorado Oil and Gas Conservation Commission

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APPLICATION FOR PERMIT TO

Application type selection: Drill (checked), Deepen, Re-enter, Recomplete and Operate, Amend, Refile, Sidetrack. Well type: OIL (checked), GAS, COALBED, OTHER. Zone type: SINGLE ZONE (checked), MULTIPLE ZONES, COMMINGLE ZONES.

Well Name: BLUE CHIP Well Number: 22-11HZ 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: SENW Sec: 22 Twp: 5N Rng: 67W Meridian: 6 Footage at Surface: 1628 Feet FNL 2179 Feet FWL Latitude: 40.387952 Longitude: -104.880308 GPS Data: GPS Quality Value: 1.5 Type of GPS Quality Value: PDOP Date of Measurement: 08/18/2021 Ground Elevation: 5037 Field Name: WATTENBERG Field Number: 90750 Well Plan: is Directional Horizontal (highly deviated) (checked) Vertical

Subsurface Locations: Top of Productive Zone (TPZ) Sec: 22 Twp: 5N Rng: 67W Footage at TPZ: 650 FSL 1597 FEL Measured Depth of TPZ: 8402 True Vertical Depth of TPZ: 6924 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 20 Twp: 5N Rng: 67W Footage at BPZ: 628 FSL 63 FWL

Measured Depth of BPZ: 22537 True Vertical Depth of BPZ: 6948 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 20 Twp: 5N Rng: 67W Footage at BHL: 628 FSL 63 FWL

FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD Municipality: Greeley

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: 10/25/2022

Comments: Greeley USR#: USR2022-0010

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.)

Township 5 North, Range 67 West, 6th P.M.
Section 22: SW/4
Weld County, Colorado

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: 2687 Feet
Building Unit: 2889 Feet
Public Road: 1641 Feet
Above Ground Utility: 310 Feet
Railroad: 5280 Feet
Property Line: 371 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	407-3402	1600	T5N-67W; 20: S2, 21: ALL; 22: 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: 63 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: 267 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: 22537 Feet TVD at Proposed Total Measured Depth 6948 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: 41 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

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
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	22527	2577	22527	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	Fox Hills	17	17	277	277	501-1000	USGS	
Confining Layer	Pierre Shale	278	278	515	515			
Groundwater	Upper Pierre Aquifer	516	516	1372	1354	501-1000	Electric Log Calculation	
Confining Layer	Pierre Shale	1373	1355	4672	4144			
Hydrocarbon	Sussex	4673	4145	5022	4431			Non-productive
Confining Layer	Pierre Shale	5023	4432	5362	4710			
Hydrocarbon	Shannon	5363	4711	5518	4838			Non-productive
Confining Layer	Pierre Shale	5520	4839	8253	6910			
Hydrocarbon	Niobrara	8258	6911	0	0			

OPERATOR COMMENTS AND SUBMITTAL

Comments

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
403234435	OFFSET WELL EVALUATION
403235073	OTHER
403235075	DEVIATED DRILLING PLAN
403235076	WELL LOCATION PLAT
403235077	DIRECTIONAL DATA
403238359	OPEN HOLE LOGGING EXCEPTION

Total Attach: 6 Files

General Comments

User Group	Comment	Comment Date
		Stamp Upon Approval

Total: 0 comment(s)