

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:

403227242

(SUBMITTED)

Date Received:

12/02/2022

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: Property Reserve 4-65

Well Number: 3-4 3BH

Name of Operator: CRESTONE PEAK RESOURCES OPERATING LLC

COGCC Operator Number: 10633

Address: 1801 CALIFORNIA STREET #2500

City: DENVER

State: CO

Zip: 80202

Contact Name: Nathan Bennett

Phone: (303)312-8166

Fax: ()

Email: nbennett@civiresources.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): 2016040

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: NWSW Sec: 2 Twp: 4S Rng: 65W Meridian: 6

FNL/FSL

FEL/FWL

Footage at Surface: 1570 Feet FSL 553 Feet FWL

Latitude: 39.729920

Longitude: -104.638752

GPS Data:

GPS Quality Value: 1.4

Type of GPS Quality Value: PDOP

Date of Measurement: 04/19/2021

Ground Elevation: 5631

Field Name: DJ HORIZONTAL NIOBRARA

Field Number: 16950

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: 3 Twp: 4S Rng: 65W

Footage at TPZ: 2070

FSL

330

FEL

Measured Depth of TPZ: 8130

True Vertical Depth of TPZ: 7780

FNL/FSL

FEL/FWL

Base of Productive Zone (BPZ)Sec: 4 Twp: 4S Rng: 65WFootage at BPZ: 2070 FSL 330 FWLMeasured Depth of BPZ: 18046True Vertical Depth of BPZ: 7780 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 4 Twp: 4S Rng: 65WFootage at BHL: 2070 FSL 330 FWL

FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATIONCounty: ARAPAHOE 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.? 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: 10/11/2022Comments: Approved AEUSR: Approved 10/11/22**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.)

T4S R65W Sec. 2: All; Sec. 14: E/2; E/2NW/4; SW/4NW/4; T4S R64W: Sec. 4: NW/4NW/4; Sec. 6: S/2; NW/4; Sec. 18: N/2; N/2SW/4Total Acres in Described Lease: 1980 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease #

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 3687 Feet
Building Unit: 3907 Feet
Public Road: 535 Feet
Above Ground Utility: 578 Feet
Railroad: 3296 Feet
Property Line: 523 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	535-1398	1280	T4S R65W Sec. 3, 4: 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: 330 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: 700 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

Order Nos. 535-460, 535-906, 535-1168, & 535-1288 are amended to approve an additional 1 horizontal well, for a total of 9 horizontal wells, 1,280-acre drilling & spacing unit established for the Application Lands for DSU # 2 for production from Niobrara.

DRILLING PROGRAMProposed Total Measured Depth: 18046 FeetTVD at Proposed Total Measured Depth 7780 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: 0 Feet ☐ No well belonging to another operator within 1,500 feetWill a closed-loop drilling system be used? YesIs H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater thanor 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? NoWill salt sections be encountered during drilling? NoWill salt based (>15,000 ppm Cl) drilling fluids be used? NoWill oil based drilling fluids be used? YesBOP Equipment Type: ☒ Annular Preventor ☒ Double Ram ☒ Rotating Head ☐ None

Beneficial reuse or land application plan submitted? _____

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	A53B	42.09	0	100	114	100	0
SURF	13+1/2	9+5/8	J55	36	0	3210	1070	3210	0
1ST	8+1/2	5+1/2	P110	17	0	18046	2842	18046	

☐ 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	Denver	0	0	665	664	0-500	Groundwater Atlas	USGS HA-646 (Robson & Romero, 1981)
Groundwater	Arapahoe	665	664	1242	1239	0-500	Groundwater Atlas	USGS HA-647 (Robson & Romero, 1981)
Groundwater	Laramie-fox hills	1242	2139	1944	1939	0-500	Groundwater Atlas	USGS HA-650 (Robson & Romero, 1981)
Confining Layer	Pierre Shale	1944	1939	2406	2399			
Groundwater	Upper Pierre Aquifer	2406	2399	3078	3069	1001-10000	Electric Log Calculation	Amoco-Westan-Fischahs 1 (05-005-06204-0000)
Confining Layer	Base of Upper Pierre Aqu	3078	3069	4176	4164			
Hydrocarbon	Larimer	4176	4164	4292	4279			
Confining Layer	Pierre Shale	4292	4279	5305	5289			
Hydrocarbon	Sussex	5305	5289	5416	5399			
Confining Layer	Pierre Shale	5416	5399	6038	6019			
Hydrocarbon	Shannon	6038	6019	6439	6419			
Confining Layer	Pierre Shale	6439	6419	7658	7589			
Confining Layer	Sharon Springs	7658	7589	7751	7659			
Hydrocarbon	Niobrara	7751	7659	8131	7780			

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 Property Reserve 4-65 3-4-4AH operated by Crestone Peak Resources Operating LLC in 2D.

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells was measured to the drilling well Jamaso 4-65 #5-6-12 (05-005-07374) operated by AXIS EXPLORATION LLC. This distance was taken from the Offset Well Evaluation.

This application is in a Comprehensive Area Plan _____ CAP #: _____
Oil and Gas Development Plan Name Prosper Farms 4-65 2-1-6 OGDID #: 482697
Location ID: 443722

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: 12/2/2022 Email: agross@upstreampm.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

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	One of the first wells drilled on the pad during the first rig occupation will be logged with open-hole resistivity log with gamma-ray log from the kick-off point into the surface casing for one of the stratigraphically deepest wells on the pad. 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 will state "Alternative Logging Program - No open-hole logs were run" and will clearly identify the type of log and the well (by API#) 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>
403227971	DEVIATED DRILLING PLAN
403227973	OTHER
403227976	DIRECTIONAL DATA
403232218	OffsetWellEvaluations Data
403243173	WELL LOCATION PLAT

Total Attach: 5 Files

General Comments

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

Total: 0 comment(s)