

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:

403097943

Date Received:

09/26/2022

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: CAMENISCH

Well Number: 33-1HZ

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: NWSE Sec: 33 Twp: 4N Rng: 67W Meridian: 6

FNL/FSL

FEL/FWL

Footage at Surface: 2379 Feet FSL 2144 Feet FEL

Latitude: 40.268698

Longitude: -104.893734

GPS Data:

GPS Quality Value: 1.2

Type of GPS Quality Value: PDOP

Date of Measurement: 12/08/2021

Ground Elevation: 4869

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: 33 Twp: 4N Rng: 67W

Footage at TPZ: 675 FSL 1195 FWL

Measured Depth of TPZ: 8414

True Vertical Depth of TPZ: 7219

FNL/FSL

FEL/FWL

Base of Productive Zone (BPZ)Sec: 34 Twp: 4N Rng: 67WFootage at BPZ: 745 FSL 415 FELMeasured Depth of BPZ: 17268True Vertical Depth of BPZ: 7234 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 34 Twp: 4N Rng: 67WFootage at BHL: 745 FSL 415 FELFNL/FSLFEL/FWL**LOCAL GOVERNMENT PERMITTING INFORMATION**County: 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: WOGLA#: 1041WOGLA21-0026
Approved on: 06/30/2022**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: 2022 Feet
Building Unit: 2022 Feet
Public Road: 2132 Feet
Above Ground Utility: 2108 Feet
Railroad: 5280 Feet
Property Line: 246 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.)
CODELL	CODL	407-3374	3440	T3N- 67W;1:NW4;2:N2;3:N2;4:N2;5:N2;6:N2;T 3N-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: 415 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: 315 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: 17268 Feet

TVD at Proposed Total Measured Depth 7234 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: 249 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	17258	1933	17258	

☐ 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	190	190	501-1000	USGS	Depth data from DWR
Confining Layer	Pierre Shale	191	191	413	413			
Groundwater	Upper Pierre Aquifer	414	414	1294	1279	501-1000	Electric Log Calculation	
Confining Layer	Pierre Shale	1295	1280	4495	4093			
Hydrocarbon	Sussex	4496	4094	4768	4329			Non-productive
Confining Layer	Pierre Shale	4769	4330	5076	4595			
Hydrocarbon	Shannon	5077	4596	5182	4687			Non-productive
Confining Layer	Pierre Shale	5183	4688	7717	6917			
Hydrocarbon	Niobrara	7719	6918	8360	7217			
Hydrocarbon	Codell	8376	7218	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 4-1HZ: DOC ID #403097986

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

Oil and Gas Development Plan Name Democrat OGD OGD ID#: 482251

Location ID: 329899

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: 9/26/2022 Email: DJRegulatory@oxy.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: 12/5/2022

Expiration Date: 09/06/2025

API NUMBER

05 123 51905 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.

COA Type

Description

Drilling/Completion Operations	Operator will log two (2) wells during the first rig occupation with open-hole resistivity log with gamma-ray log from the kick-off point into the surface casing for the two stratigraphically deepest wells on each side of the pad
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Drilling/Completion Operations	<p>Operator acknowledges the proximity of the 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.</p> <p>KERR MCGEE OIL & GAS ONSHORE LP 123-18014 CAMENISCH *43-33 KERR MCGEE OIL & GAS ONSHORE LP 123-21598 PSC *10-34 KERR MCGEE OIL & GAS ONSHORE LP 123-27275 PLATTE *5-35</p> <p>KP KAUFFMAN COMPANY INC 123-10558 ANDERSON *1 KP KAUFFMAN COMPANY INC 123-10865 STROH *1 KP KAUFFMAN COMPANY INC 123-10882 CAMENISCH *1 KP KAUFFMAN COMPANY INC 123-23536 HEPP *32-6 KP KAUFFMAN COMPANY INC 123-23534 HEPP *32-5 KP KAUFFMAN COMPANY INC 123-23579 CAMENISCH *32-9 KP KAUFFMAN COMPANY INC 123-23578 CAMENISCH *32-16 KP KAUFFMAN COMPANY INC 123-23577 Camenisch *32-10 KP KAUFFMAN COMPANY INC 123-24143 STROH *33-4 KP KAUFFMAN COMPANY INC 123-24569 Camenisch *41-32 KP KAUFFMAN COMPANY INC 123-24704 Camenisch *50-32 KP KAUFFMAN COMPANY INC 123-26390 STROH *7-33 KP KAUFFMAN COMPANY INC 123-26440 CAMENISCH *20-32 KP KAUFFMAN COMPANY INC 123-29643 KOESTER *18-33-6 KP KAUFFMAN COMPANY INC 123-29642 KOESTER *18-33 KP KAUFFMAN COMPANY INC 123-34022 Koester *18-33-22 KP KAUFFMAN COMPANY INC 123-34025 Koester *18-33-5</p> <p>PDC ENERGY INC 123-17991 WEISS *34-6I7</p> <p>Operator acknowledges the proximity of the listed wells. Operator assures that this offset list will be remediated per the Offset Well Evaluation and Hydraulic Fracturing Operator Guidance Document (option 4). Operator will submit a Form 42 ("OFFSET MITIGATION COMPLETED") stating that appropriate mitigation will be completed, during the hydraulic stimulation of this well. This Form 42 shall be filed 48 hours prior to stimulation. Operator will ensure the well is equipped with at least a 5,000 psi wellhead and monitor casing (surface and production) pressures during the entire stimulation treatment. Surface and production casing pressures of this offset well list will be actively monitored during the entire stimulation treatment of this pad. If there is indication of communication between the stimulation treatment and an offset well, treatment will be stopped and COGCC Engineering notified.</p> <p>KERR MCGEE OIL & GAS ONSHORE LP 123-21704 KOESTER *12-33 KERR MCGEE OIL & GAS ONSHORE LP 123-21855 MCDONALD *1-4 KERR MCGEE OIL & GAS ONSHORE LP 123-22576 CAMENISCH *23-33</p> <p>KP KAUFFMAN COMPANY INC 123-23789 ANDERSON *13-32 KP KAUFFMAN COMPANY INC 123-23792 ANDERSON *14-32 KP KAUFFMAN COMPANY INC 123-23790 ANDERSON *12-32</p>
Drilling/Completion Operations	<p>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:</p> <p>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.</p> <p>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.</p> <p>3) A post-production test within 60 days after first sales, as reported on the Form 10, Certificate of Clearance.</p>

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. 3) Oil based drilling fluid can only be used after all groundwater has been isolated.
4 COAs	

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	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 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 state "Alternative Logging Program - 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
403097943	FORM 2 SUBMITTED
403139755	DIRECTIONAL DATA
403139756	DEVIATED DRILLING PLAN
403139757	WELL LOCATION PLAT
403175388	OTHER
403175390	LEASE MAP
403249133	OFFSET WELL EVALUATION

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	With operators concurrence added Open Hole Logging COA. Final Review Completed.	12/02/2022
Permit	IN PROCESS: Requesting additional Open Hole logging COA.	11/30/2022
Permit	<p>ON HOLD: This application has been reviewed by COGCC staff and cannot be approved based on the information submitted; therefore, the COGCC is placing this form ON HOLD until additional information is received from the applicant.</p> <p>In compliance with § 24-65.1-108(1), C.R.S., the COGCC is providing this written request for all additional information necessary for the COGCC to respond to this application. The applicant may provide all requested additional information to COGCC via email. Upon receipt of all requested information, the COGCC will have 60 days in which to approve, deny, or request all additional information necessary to complete the regulatory review. If the applicant no longer requires this application be approved, the applicant may request to withdraw the application.</p> <p>In addition to all standard required information and attachments, the COGCC hereby confirms the following information is necessary for review:</p> <p>1.Missing COAs for the offset wells.</p>	11/22/2022
Permit	Permitting review complete	11/09/2022
Permit	Open: Emailed the SLB to notify them of this pending application. Close: SLB has no concerns with this application	10/27/2022
OGLA	The Commission approved OGDG #482251 on September 7, 2022 for the Oil and Gas Location related to this Form 2. OGLA task passed.	09/29/2022

Total: 6 comment(s)