

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:

402862610

Date Received:

10/21/2022

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: Warbler

Well Number: 13W-27-03

Name of Operator: EXTRACTION OIL & GAS INC

COGCC Operator Number: 10459

Address: 370 17TH STREET SUITE 5200

City: DENVER

State: CO

Zip: 80202

Contact Name: Jeff Annable

Phone: (303)312-8529

Fax: ()

Email: jannable@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): 20130028

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: SWSE Sec: 13 Twp: 1S Rng: 66W Meridian: 6

Footage at Surface: 1309 Feet FSL 1585 Feet FEL

Latitude: 39.961489 Longitude: -104.720226

GPS Data: GPS Quality Value: 1.4 Type of GPS Quality Value: PDOP

Date of Measurement: 04/08/2019

Ground Elevation: 5080

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: 13 Twp: 1S Rng: 66W

Footage at TPZ: 2267 FSL 860 FWL

Measured Depth of TPZ: 7982

True Vertical Depth of TPZ: 7154

FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 16 Twp: 1S Rng: 66W Footage at BPZ: 2283 FSL 2180 FEL
Measured Depth of BPZ: 21573 True Vertical Depth of BPZ: 7154 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 16 Twp: 1S Rng: 66W Footage at BHL: 2283 FSL 2180 FEL
FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: ADAMS 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: 11/18/2022

Comments:

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 1 South Range 66 West
Sec 14: SW4

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: 2586 Feet
Building Unit: 2667 Feet
Public Road: 1284 Feet
Above Ground Utility: 1334 Feet
Railroad: 5280 Feet
Property Line: 567 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	407-3386	2640	T1S R66W SEC 13: W2W2, SEC 14: ALL, SEC 15: ALL, SEC 16: E2, SEC 21: NE4, SEC 22: N2, SEC 23: N2, SEC 24: W2NW4

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: 460 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: 318 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: 21573 Feet

TVD at Proposed Total Measured Depth 7154 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: 823 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	24	16	N/A	42	0	80	100	80	0
SURF	12+1/4	9+5/8	J-55	36	0	2500	669	2500	0
1ST	8+1/2	5+1/2	P-110	20	0	21573	2779	21573	

☐ 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	Alluvium	24	24	69	69	1001-10000	USGS	USGS Site Name SC00106612DCC
Groundwater	Arapahoe	69	69	1026	1024	501-1000	Groundwater Atlas	USGS HA-647 (Robson & Romero, 1981)
Groundwater	Laramie-Fox Hills	1026	1024	1301	1294	0-500	Groundwater Atlas	USGS HA-650 (Robson et al, 1981)
Confining Layer	Pierre Formation	1301	1294	1782	1749			
Groundwater	Upper Pierre	1782	1749	2214	2144	501-1000	Electric Log Calculation	Pete Rock 1 (05-001-08469 -0000)
Confining Layer	Base of Upper Pierre	2214	2144	3722	3524			
Hydrocarbon	Parkman Sandstone	3722	3524	3798	3594			Not productive in this area
Confining Layer	Pierre Formation	3798	3594	5088	4774			
Hydrocarbon	Sussex Sandstone	5088	4774	5328	4994			Not productive in this area
Confining Layer	Pierre Formation	5328	4994	6006	5614			
Hydrocarbon	Shannon Sandstone	6006	5614	6093	5694			Not productive in this area
Confining Layer	Pierre Formation	6093	5694	7655	7064			
Subsurface Hazard	Sharon Springs	7655	7064	7982	7154			Sloughing Shale
Hydrocarbon	Niobrara	7982	7154	21573	7154			

OPERATOR COMMENTS AND SUBMITTAL

Comments

The distance to the completed portion of the nearest well in the same unit on the "Spacing & Formations" tab is measured to the proposed Warbler 13W-27-16. This distance was measured in 2-dimensional space.

The distance to the nearest well belonging to another operator on the "Drilling Plan" tab was measured to Rock #1 (API #05-001-08339).

Attached as OTHER, is the anti-collision analysis which factors in three dimensional measurements as well as gyro surveys performed on some of the offset wellbores. All measurements to offset wellbores were derived from this analysis.

This application is in a Comprehensive Area Plan _____

CAP #: _____

Oil and Gas Development Plan Name Warbler OGD _____

OGDP ID#: 481783

Location ID: 483031

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

Signed: _____

Print Name: Jeff Annable

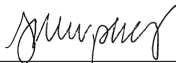
Title: Lead, Regulatory

Date: 10/21/2022

Email: jannable@civiresources.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: 12/12/2022

Expiration Date: 12/11/2025

API NUMBER

05 001 10543 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.

<u>COA Type</u>	<u>Description</u>
Drilling/Completion Operations	<p>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.</p> <p>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.</p> <p>3) Oil based drilling fluid can only be used after all groundwater has been isolated.</p>
Drilling/Completion Operations	<p>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.</p> <p>001-08339 - Rock 1 – North American Resources Company 001-06904 - Farmer 1 – Koch Exploration Company LLC</p>
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>001-08469 - Pete Rock 1 - Verdad Resources LLC 001-06518 - Reba Shaw 1 - Great Western Operating Company LLC</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	<p>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</p>
5 COAs	

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>
402862610	FORM 2 SUBMITTED
403181539	OffsetWellEvaluations Data
403200519	DIRECTIONAL DATA
403200521	DEVIATED DRILLING PLAN
403202044	OTHER
403204756	WELL LOCATION PLAT
403256739	OFFSET WELL EVALUATION

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	With Operators concurrence updated Final Disposition Date to 11/18/2022. Final Review Completed.	12/06/2022
Permit	With operators concurrence added Open Hole Logging COA. Permitting Review Complete.	11/29/2022
OGLA	The Commission approved OGDG #481783 on September 28, 2022 for the Oil and Gas Location related to this Form 2. OGLA task passed.	10/24/2022
Permit	•Returned to draft at Operator's request.	10/21/2022

Total: 4 comment(s)