

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:  
403098283  
Date Received:  
10/18/2022

APPLICATION FOR PERMIT TO

Drill     Deepen     Re-enter     Recomplete and Operate    Amend   
TYPE OF WELL    OIL     GAS     COALBED     OTHER: \_\_\_\_\_    Refile   
ZONE TYPE    SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES     Sidetrack

Well Name: SWARTZ    Well Number: 4-14HZ  
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  
Footage at Surface: 764 Feet FNL 1620 Feet FEL  
Latitude: 40.260045    Longitude: -104.891866  
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: 2138    FNL    1931    FEL  
Measured Depth of TPZ: 7876    True Vertical Depth of TPZ: 7163    FNL/FSL    FEL/FWL

Base of Productive Zone (BPZ)

Sec: 1 Twp: 3N Rng: 67W Footage at BPZ: 1999 FNL 2216 FWL  
Measured Depth of BPZ: 22436 True Vertical Depth of BPZ: 7328 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 1 Twp: 3N Rng: 67W Footage at BHL: 1999 FNL 2216 FWL  
FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD 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.? 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? [X] Yes [ ] No

[X] 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: 06/30/2022

Comments: 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: [X] Fee [ ] State [ ] Federal [ ] Indian

Mineral Owner beneath this Well's Oil and Gas Location: [X] 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):

- [X] Fee
- [X] 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: 589 Feet  
Building Unit: 846 Feet  
Public Road: 750 Feet  
Above Ground Utility: 603 Feet  
Railroad: 5280 Feet  
Property Line: 485 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	4073374	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: 423 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: 275 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: 22436 Feet

TVD at Proposed Total Measured Depth 7328 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: 981 Feet  No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No If yes, attach an H<sub>2</sub>S 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: \_\_\_\_\_



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: 12/13/2022

Expiration Date: 09/06/2025

<b>API NUMBER</b> 05 123 51916 00
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### 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	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.
Drilling/Completion Operations	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: 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. 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. 3) A post-production test within 60 days after first sales, as reported on the Form 10, Certificate of Clearance.
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.
Drilling/Completion Operations	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. 123-17970HSR-SCOTTDAL RANCHES #8-2 123-19193HSR-PESCO #4-2A 123-21855MCDONALD #1-4 123-22576CAMENISCH #23-33 123-23137PSC #24-3 123-23969MCCORMICK #10-1 123-26245PLATTE #28-2

Drilling/Completion Operations	Operator acknowledges the proximity of the non-operated listed well. 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. 123-23578CAMENISCH #32-16
Drilling/Completion Operations	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. 123-10530JOHNSON #1-34 123-10807FORT SAINT VRAIN #17 123-16618HSR-OLSON #2-2 123-17483HSR-WALTER #6-1A 123-17870KOESTER #24-33 123-17920KOESTER #14-33 123-17980KOESTER #13-33 123-18815PSC #43-34 123-21598PSC #10-34 123-21684MCDONALD #5-3A 123-22670WCR PROPERITES #41-5
6 COAs	

### **Best Management Practices**

<b><u>No</u></b>	<b><u>BMP/COA Type</u></b>	<b><u>Description</u></b>
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 to 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 clearly state "Alternative Logging Program - No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run."

Total: 3 comment(s)

### **Attachment List**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
1310969	SURFACE CASING CHECK
403098283	FORM 2 SUBMITTED
403140635	DIRECTIONAL DATA
403140637	DEVIATED DRILLING PLAN
403140640	WELL LOCATION PLAT

403194077	OTHER
403194078	LEASE MAP
403259851	OFFSET WELL EVALUATION

Total Attach: 8 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	12/08/2022
Permit	With operator's concurrence removed Open Hole Logging Exception letter and BMP and added alternative Open Hole Logging BMP.	12/08/2022
Permit	With operator's concurrence added Open Hole Logging COA. Permitting review complete.	12/05/2022
Permit	Requesting additional Open Hole logging COA.	12/01/2022
Permit	Open: Emailed the SLB to notify them of this pending application. Close: SLB has no concerns with this application	11/30/2022
OGLA	The Commission approved OGDG #482251 on September 07, 2022 for the Oil and Gas Location related to this Form 2. OGLA task passed.	10/19/2022

Total: 6 comment(s)