

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:
403211459
Date Received:
11/02/2022

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: Simpson Well Number: 36-9H
Name of Operator: EDGE ENERGY II LLC COGCC Operator Number: 10671
Address: 600 12TH STREET SUITE 115
City: GOLDEN State: CO Zip: 80401
Contact Name: Erik Larsen Phone: (303)547-0792 Fax: ()
Email: elarsen@edgeenergy1.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): 20190052

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: NESE Sec: 26 Twp: 8N Rng: 66W Meridian: 6
Footage at Surface: 2399 Feet FSL 306 Feet FEL
Latitude: 40.632740 Longitude: -104.735940
GPS Data: GPS Quality Value: 2.3 Type of GPS Quality Value: PDOP Date of Measurement: 06/04/2018
Ground Elevation: 5013
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: 25 Twp: 8N Rng: 66W Footage at TPZ: 350 FSL 350 FWL
Measured Depth of TPZ: 8285 True Vertical Depth of TPZ: 7578 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 30 Twp: 8N Rng: 65W Footage at BPZ: 350 FSL 350 FEL
Measured Depth of BPZ: 18274 True Vertical Depth of BPZ: 7558 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 30 Twp: 8N Rng: 65W Footage at BHL: 350 FSL 350 FEL
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: 09/04/2019

Comments: The WOGLA 19-0168 was approved on 09/04/2019.

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
[] 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.)

T8N R66W Sec. 25: All

Total Acres in Described Lease: 640 Described Mineral Lease is: [X] Fee [] State [] Federal [] Indian

Federal or State Lease #

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 2650 Feet
Building Unit: 2650 Feet
Public Road: 301 Feet
Above Ground Utility: 338 Feet
Railroad: 3943 Feet
Property Line: 249 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	535-1395	1280	T8N R66W Sec. 25: All; T8N R65W Sec. 30: 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: 350 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: 654 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 PROGRAMProposed Total Measured Depth: 18274 Feet TVD at Proposed Total Measured Depth 7558 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: _____ 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 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? 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

<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	H40	65	0	80	100	80	0
SURF	13+1/2	9+5/8	J55	36	0	1500	479	1500	0
1ST	8+3/4	5+1/2	P110	20	0	18274	2978	18274	0

 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	Laramie-Fox Hills	0	0	599	599	501-1000	USGS	
Groundwater	Upper Pierre SS/SH	599	599	1551	1528	1001-10000	Other	Upper Pierre Aquifer Water Quality Study, Project #2141
Confining Layer	Pierre Shale	1551	1528	4030	3869			
Hydrocarbon	Parkman/Susse x/Shannon	4030	3869	5670	5417			
Confining Layer	Pierre Shale	5670	5417	7526	7168			
Subsurface Hazard	Sharon Springs	7526	7168	7625	7256			
Hydrocarbon	Niobrara	7625	7256	8094	7556			

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 Simpson 36-8H operated by Edge Energy LLC in 2D.

There are no wells belonging to another Operator within 1500'.

The Simpson 26 Pad (Location ID-457767) has been built

This is a Form 2 Refile.

Changes to the original approved Form 2 are: SHL, Top of productive interval, bottom hole location, total depth, casing and cement program.

This application is in a Comprehensive Area Plan _____ CAP #: _____

Oil and Gas Development Plan Name _____ OGDID ID#: _____

Location ID: 457767

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: 11/2/2022 Email: agross@upstreampm.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: 12/21/2022

Expiration Date: 12/20/2025

API NUMBER
05 123 48067 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>
Construction	If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016).
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.
Construction	Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017)
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, must contact COGCC engineer prior to stimulation. 2) If a delayed completion, 6 months after rig release and prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer 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 48 hours prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 48 hour spud notice for all subsequent wells drilled on the pad. 2) Comply with Rule 408.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after all aquifers are covered.
5 COAs	

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	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
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>
403211459	FORM 2 SUBMITTED
403211573	WELL LOCATION PLAT
403213855	DEVIATED DRILLING PLAN
403216657	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	12/15/2022
Permit	Received consent from the operator to add the following: 1.Refile COA for built location 2.COA for a second open hole logged well on the location 3.Updated the submitter comment to include that the SHL moved as well -Passed Permit Revie	12/14/2022
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #403258793 in Location #457767 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	12/13/2022
Permit	Requesting the following from the operator: 1.Adding the refile COA for built locations	12/12/2022
Engineer	Offset Wells re-Evaluated with this APD.	11/03/2022

Total: 5 comment(s)