

FORM
2

Rev
05/22

State of Colorado Oil and Gas Conservation Commission

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Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

403173382

(SUBMITTED)

Date Received:

12/27/2022

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: Kiwi 2920 Well Number: 02H

Name of Operator: VERDAD RESOURCES LLC COGCC Operator Number: 10651

Address: 1125 17TH STREET SUITE 550

City: DENVER State: CO Zip: 80202

Contact Name: Allison Schieber Phone: (720)8456909 Fax: ()

Email: regulatory@verdadresources.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): 20170009

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: SENE Sec: 32 Twp: 2N Rng: 64W Meridian: 6

Footage at Surface: 1955 Feet FNL 2576 Feet FWL

Latitude: 40.096936 Longitude: -104.575099

GPS Data: GPS Quality Value: 1.4 Type of GPS Quality Value: PDOP Date of Measurement: 09/14/2022

Ground Elevation: 4971

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: 29 Twp: 2N Rng: 64W Footage at TPZ: 460 FSL 1017 FWL

Measured Depth of TPZ: 7785 True Vertical Depth of TPZ: 7000 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)
 Sec: 20 Twp: 2N Rng: 64W Footage at BPZ: 460 FNL 1044 FWL
 Measured Depth of BPZ: 17418 True Vertical Depth of BPZ: 7000 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)
 Sec: 20 Twp: 2N Rng: 64W Footage at BHL: 370 FNL 1023 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? 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: 10/15/2022

Comments: 1041WOGLA22-0012

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.)

W/2 Section 29 less and Except T2N R64W acres of Burlington northern railroad ROW

Total Acres in Described Lease: 314 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # _____

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 2097 Feet
 Building Unit: 2044 Feet
 Public Road: 1925 Feet
 Above Ground Utility: 1129 Feet
 Railroad: 4098 Feet
 Property Line: 707 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	407-3404	1920	W2 Section 20, S2 Section 28, All Section 29, All Section 33 T2N R64W

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: 537 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

W2 Section 20, S2 Section 28, All Section 29, All Section 33 T2N R64W

DRILLING PROGRAMProposed Total Measured Depth: 17510 FeetTVD at Proposed Total Measured Depth 7000 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: 146 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

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	ASTM	65	0	80	92	80	0
SURF	13+1/2	9+5/8	J55	40	0	2602	707	2602	0
1ST	8+1/2	5+1/2	P110	20	0	17510	2183	17510	0

 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	ARAPAHOE	0	0	460	459	1001-10000	USGS	USGS-400701104363401(2330 mg/L)
Groundwater	FOX HILLS	460	459	761	758	501-1000	USGS	USGS-400419104334501(770 mg/L)
Confining Layer	PIERRE	761	758	1492	1452			
Groundwater	UPPER PIERRE POROSITY	1492	1452	2608	2486	1001-10000	Other	CO DNR Report Project Number 2141
Confining Layer	PIERRE	2608	2486	4217	3975			
Hydrocarbon	PARKMAN	4217	3975	4439	4181			
Confining Layer	PIERRE	4439	4181	4568	4300			
Hydrocarbon	SUSSEX	4568	4300	4884	4593			
Confining Layer	PIERRE	4884	4593	4976	4678			
Hydrocarbon	SHANNON	4976	4678	5435	5103			
Confining Layer	PIERRE	5435	5103	111	6800			
Hydrocarbon	NIOBRARA	6800	6800	6800	6800			
Hydrocarbon	SHARON SPRINGS	6800	6800	6800	6800			

OPERATOR COMMENTS AND SUBMITTAL

Comments

Best Management Practices

No	BMP/COA Type	Description
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 openhole 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 openhole logs were run.
2	Drilling/Completion Operations	Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.
3	Drilling/Completion Operations	Operator will perform anti-collision evaluation of all active (producing, shut-in, of temporarily abandoned) offset wellbores that have the potential of being within 150' feet of the proposed well prior to drilling operations. Notice shall be given to all offset operators prior to drilling.
4	Drilling/Completion Operations	Operator will comply with COGCC policy on brandenhead monitoring during hydraulic fracturing treatments in the Greater Wattenberg Area per policy dated may 29 2012

Total: 4 comment(s)

Attachment List

Att Doc Num	Name
403249410	OffsetWellEvaluations Data
403271515	WELL LOCATION PLAT
403271536	DEVIATED DRILLING PLAN
403271537	OTHER
403271538	DIRECTIONAL DATA

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
		Stamp Upon Approval

Total: 0 comment(s)