

FORM

2

Rev  
05/22

## State of Colorado

## Energy &amp; Carbon Management Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
Phone: (303) 894-2100 Fax: (303) 894-2109

Document Number:

403510753

**(SUBMITTED)**

Date Received:

09/21/2023

## APPLICATION FOR PERMIT TO

 Drill
  Deepen
  Re-enter
  Recomplete and Operate
 Amend 

 TYPE OF WELL OIL  GAS  COALBED  OTHER: \_\_\_\_\_

 ZONE TYPE SINGLE ZONE  MULTIPLE ZONES  COMMINGLE ZONES 
Refile Sidetrack 
 Well Name: Kelton Well Number: WGV 312-27-697  
 Name of Operator: TEP ROCKY MOUNTAIN LLC COGCC Operator Number: 96850  
 Address: 1058 COUNTY ROAD 215  
 City: PARACHUTE State: CO Zip: 81635  
 Contact Name: Melissa Luke Phone: (970)263-2721 Fax: ( )  
 Email: mluke@terraep.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): 20160057

## 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: NESW Sec: 27 Twp: 6S Rng: 97W Meridian: 6
 Footage at Surface: 2088 Feet FSL 2159 Feet FWL  
FNL/FSL FEL/FWL
Latitude: 39.492506 Longitude: -108.207775GPS Data: GPS Quality Value: 2.8 Type of GPS Quality Value: PDOP Date of Measurement: 07/06/2022Ground Elevation: 8387Field Name: GRAND VALLEY Field Number: 31290Well 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: 27 Twp: 6S Rng: 97W Footage at TPZ: 1655 FNL 800 FWL  
 Measured Depth of TPZ: 7176 True Vertical Depth of TPZ: 6837 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)  
 Sec: 27 Twp: 6S Rng: 97W Footage at BPZ: 1655 FNL 800 FWL  
 Measured Depth of BPZ: 9051 True Vertical Depth of BPZ: 8712 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)  
 Sec: 27 Twp: 6S Rng: 97W Footage at BHL: 1655 FNL 800 FWL  
 FNL/FSL FEL/FWL

**LOCAL GOVERNMENT PERMITTING INFORMATION**

County: GARFIELD 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: \_\_\_\_\_ Date of Final Disposition: \_\_\_\_\_

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.)

Lease Description - T6S R97W Sec. 27: ALL (640 Acres)  
 Please see attached lease map

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

Federal or State Lease # \_\_\_\_\_

**SAFETY SETBACK INFORMATION**

Distance from Well to nearest:

Building: 5280 Feet  
Building Unit: 5280 Feet  
Public Road: 5280 Feet  
Above Ground Utility: 5280 Feet  
Railroad: 5280 Feet  
Property Line: 5280 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.)
WILLIAMS FORK	WMFK	1-229		

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? No

If YES:

Enter the minimum distance from the Completed Zone of this Well to the Unit Boundary: \_\_\_\_\_ 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: \_\_\_\_\_ Feet

If NO:

Enter the minimum distance from the Completed Zone of this Well to the Lease Line of the described lease: 800 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: 301 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: 9051 FeetTVD at Proposed Total Measured Depth 8712 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 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? 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? NoBOP Equipment Type:  Annular Preventor  Double Ram  Rotating Head  NoneBeneficial reuse or land application plan submitted? No

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	30	20	X65	78.67	0	80	200	80	0
SURF	13+1/2	9+5/8	J55	36.0	0	1876	464	1956	0
1ST	8+3/4	4+1/2	P110	11.6	0	8712	788	9051	4400

 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	GRRV MGNY	847	833	1295	1254	501-1000	Produced Water Sample	
Hydrocarbon	ANVIL POINTS	1295	1254	1743	1676			
Confining Layer	GARDEN GULCH	1743	1676	2192	2098			
Hydrocarbon	DOUGLAS CREEK	2192	2098	2615	2496			
Subsurface Hazard	ORANGE MARKER	2615	2496	2940	2801			
Confining Layer	WASATCH	2940	2801	4600	4362			
Hydrocarbon	G SAND	4600	4362	4813	4562			
Hydrocarbon	FORT UNION	4813	4562	5345	5062			
Hydrocarbon	L WASATCH	5345	5062	6138	5812			
Confining Layer	OHIO CREEK	6138	5812	6599	6262			
Hydrocarbon	U MESAVERDE	6599	6262	7176	6837			
Hydrocarbon	KMV GAS	7176	6837	8296	7957			
Hydrocarbon	CAMEO	8296	7957	8851	8512			
Hydrocarbon	ROLLINS	8851	8512	9051	8712			

**OPERATOR COMMENTS AND SUBMITTAL**

Comments

Nearest offset well producing from the same lease and permitted or completed in the same formation: Kelton WGV 412-27-697 (Doc# 403510780).

OGDP application (Docket# 220900247) was approved on 08/23/2023. Form 2A (Doc# 403135970) approved on 09/11/2023.

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

Oil and Gas Development Plan Name Arco Deep 1-27 OGDP ID#: 483885

Location ID: 322539

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

Signed: \_\_\_\_\_ Print Name: Melissa Luke

Title: Regulatory Specialist Date: 9/21/2023 Email: mluke@terraep.com

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: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

API NUMBER

05

### 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**

COA Type	Description
0 COA	

### Best Management Practices

**No BMP/COA Type** **Description**

1 Drilling/Completion Operations	One of the first wells drilled on this pad will be logged with an open-hole resistivity log with gamma-ray, from TD into the 9 5/8" casing shoe. All wells on the pad will have a cement bond log (CBL) with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. 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.
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Total: 1 comment(s)

### Attachment List

<b>Att Doc Num</b>	<b>Name</b>
403510754	OffsetWellEvaluations Data
403510761	DIRECTIONAL DATA
403510762	WELL LOCATION PLAT
403510763	DEVIATED DRILLING PLAN
403515661	LEASE MAP

Total Attach: 5 Files

**General Comments**

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
		Stamp Upon Approval

Total: 0 comment(s)

