

FORM  
2

Rev  
05/22

State of Colorado

Energy & Carbon Management Commission

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



Document Number:

403400478

Date Received:

06/19/2023

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: Razor Well Number: 10E-0304B  
Name of Operator: FUNDARE RESOURCES OPERATING COMPANY LLC COGCC Operator Number: 10773  
Address: 5251 DTC PKWY STE 950  
City: GREENWOOD State: CO Zip: 80111  
VILLAGE  
Contact Name: Sydney Smith Phone: (303)910-4511 Fax: ( )  
Email: smith@fundareresources.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): 20210061

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: SWNW Sec: 10 Twp: 10N Rng: 58W Meridian: 6

FNL/FSL

FEL/FWL

Footage at Surface: 2256 Feet FNL 760 Feet FWL

Latitude: 40.854314 Longitude: -103.858586

GPS Data: GPS Quality Value: 1.2 Type of GPS Quality Value: PDOP Date of Measurement: 05/17/2013

Ground Elevation: 5028

Field Name: WILDCAT Field Number: 99999

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: 10 Twp: 10N Rng: 58W Footage at TPZ: 2557 FNL 2116 FWL  
Measured Depth of TPZ: 6844 True Vertical Depth of TPZ: 6276 FNL/FSL FEL/FWL

**Base of Productive Zone (BPZ)**Sec: 3 Twp: 10N Rng: 58WFootage at BPZ: 300 FNL 2119 FWLMeasured Depth of BPZ: 14398True Vertical Depth of BPZ: 6276 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 3 Twp: 10N Rng: 58WFootage at BHL: 100 FNL 2119 FWLFNL/FSLFEL/FWL**LOCAL GOVERNMENT PERMITTING INFORMATION**County: WELDMunicipality: 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: Other Date of Final Disposition: \_\_\_\_\_Comments: The location of this refile was permitted with the COGCC and built prior to needing a local government, WOGLA permit.**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 ☐ IndianMineral 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.)

Section 2 Lot 4,SWNW, W/2SW  
Section 3 N/2SE, SESE, NESW, w/2SW  
Section 4 N/2SE  
Section 10 W/2NW, SENW,SWNE  
T10N R58W

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: 750 Feet  
Above Ground Utility: 2411 Feet  
Railroad: 5280 Feet  
Property Line: 330 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	535-1405	960	n/2 10 all 3

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: 100 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: 740 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: 14598 Feet

TVD at Proposed Total Measured Depth 6276 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 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? \_\_\_\_\_

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	24	16	ATSTM	65	0	80	100	80	0
SURF	13+1/2	9+5/8	J55	36	0	1800	750	1800	0
1ST	8+1/2	5+1/2	P110	20	0	14598	2100	14598	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
Confining Layer	Laramie	0	0	419	419			
Groundwater	Fox Hills	419	419	929	929	501-1000	USGS	
Confining Layer	Pierre Shale	929	929	1374	1374			
Groundwater	Upper Pierre Sands	1374	1374	1724	1724	1001-10000	Other	CO DNR Report Project Number 2141, page 10. Study-wide mean TDS value.
Confining Layer	Pierre Shale	1724	1724	3600	3564			
Hydrocarbon	Parkman Sandstone	3600	3564	4100	4044			
Hydrocarbon	Pierre Shale	4100	4044	5300	5224			
Hydrocarbon	Upper Sharon Springs	5300	5224	5800	5794			
Hydrocarbon	Lower Sharon Springs	5800	5794	5900	5876			
Hydrocarbon	Niobrara	5900	5876	14598	6276			

### OPERATOR COMMENTS AND SUBMITTAL

Comments

This location has been constructed.

This is a refile Form 2 being filed under the existing API#. The TPZ and BHL have been updated. No changes have been made to the surface hole location.

The nearest well in the same formation is Razor 10E-0303A, planned.

This application is in a Comprehensive Area Plan No CAP #: \_\_\_\_\_  
Oil and Gas Development Plan Name \_\_\_\_\_ OGD ID#: \_\_\_\_\_  
Location ID: 438566

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

Signed: \_\_\_\_\_ Print Name: Sydney Smith

Title: Director - EHSR Date: 6/19/2023 Email: smith@fundareresources.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: 10/5/2023

Expiration Date: 10/04/2026

**API NUMBER**

05 123 40052 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	1) Submit Form 42 electronically to ECMC 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. 3) Increase the surface casing setting depth to 1800' MD, adjust the cement volume accordingly.
Drilling/Completion Operations	Per ECMC 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 ECMC 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 ECMC 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	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).
4 COAs	

## Best Management Practices

<b>No</b>	<b>BMP/COA Type</b>	<b>Description</b>
1	Storm Water/Erosion Control	Stormwater management plans (SWMP) are in place to address construction, drilling Control and operations associated with oil and gas development throughout the State of Colorado. BMPs will be constructed as necessary to prevent stormwater from leaving the construction site. BMPs used will vary according to the location, and will remain until the pad is reclaimed.
2	Material Handling and Spill Prevention	<p>Spill Prevention Control and Countermeasures (SPCC) plans are in place to address Prevention any possible spill associated with oil and gas operations throughout the State of Colorado.</p> <ul style="list-style-type: none"> <li>• Materials and fluids will be stored in a neat and orderly fashion.</li> <li>• Waste will be collected regularly and disposed of at an offsite facility.</li> <li>• Prompt cleanup is required of spills to minimize waste materials entering the stormwater runoff.</li> <li>• Drip pans will be used during fueling and maintenance to contain spills or leaks.</li> <li>• Cleanup of trash and discarded material will be done at the end of the work day.</li> <li>• Cleanup will consist of monitoring the road, location and any other work areas.</li> <li>• Material to be cleaned up includes trash, scrap, and contaminated soil.</li> </ul>
3	Drilling/Completion Operations	<p>Alternative Logging Program: One of the first wells drilled on the pad will be logged Operations 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 openhole logs shall clearly state "Alternative Logging Program - No open-hole logs were run" and shall clearly identify (by API#, well name &amp; number) the well in which openhole logs were run.</p>

Total: 3 comment(s)

## Attachment List

<b>Att Doc Num</b>	<b>Name</b>
403400478	FORM 2 SUBMITTED
403412545	DEVIATED DRILLING PLAN
403412549	DIRECTIONAL DATA
403412550	WELL LOCATION PLAT
403415770	OffsetWellEvaluations Data
403552095	OFFSET WELL EVALUATION

Total Attach: 6 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	09/27/2023
Engineer	<ul style="list-style-type: none"> <li>•Surface Casing Check complete</li> <li>•Offset well review complete</li> <li>408.t - No wells</li> <li>408.u - No wells</li> <li>•Engineering review complete</li> </ul>	09/25/2023
OGLA	IN PROCESS: This Location and its associated Form 2A materials were fully evaluated during the review of this APD in accordance with current Rules. See Sundry doc # 403514926 in Location # 438566 file for additional information. This APD complies with all ECMC Rules and Staff concludes that any potential direct adverse impacts to public health, safety, welfare, the environment, and wildlife resources will be minimized and mitigated by the successful implementation of the proposed BMPs for Location # 438566. OGLA task passed.	09/12/2023
OGLA	ON HOLD: This APD is being put ON HOLD pending a consultation with CPW.	08/10/2023
Permit	Received confirmation from the operator to add the following: <ol style="list-style-type: none"> <li>1. The Refile COA for built location</li> <li>2. Updating the spacing order number</li> <li>3. Updating the distance to the closet unit boundary</li> <li>4. Adding a COA to log two wells with open hole logs</li> <li>5. Deleting the drilling beyond the setback comment since it's not needed</li> <li>6. Adding the missing BMPs</li> </ol> -Passed Permit Review	08/07/2023
Permit	Requesting the following from the operator: <ol style="list-style-type: none"> <li>1.Adding the refile comment for built locations</li> <li>2.Updating the spacing order number to the most current one</li> <li>3.Confirming the closet distance to the unit boundary</li> <li>4. Adding the missing operator's BMPs</li> </ol>	08/01/2023

Total: 6 comment(s)