

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:

403566895

Date Received:

10/20/2023

## APPLICATION FOR PERMIT TO

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
Amend ☐TYPE OF WELL OIL ☐ GAS ☐ COALBED ☒ OTHER: Pilot HoleRefile ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: Southern Ute

Well Number: 705H

Name of Operator: HILCORP ENERGY COMPANY

COGCC Operator Number: 10133

Address: P O BOX 61229

City: HOUSTON

State: TX

Zip: 77208

Contact Name: Amanda Walker

Phone: (346)237-2177

Fax: ( )

Email: mwalker@hilcorp.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): 20050122

## 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: NENE Sec: 15 Twp: 32N Rng: 7W Meridian: N

 Footage at Surface: 196 Feet FNL/FSL 477 Feet FEL/FWL  
 FNL FEL

Latitude: 37.023800 Longitude: -107.588530

GPS Data: GPS Quality Value: 1.0 Type of GPS Quality Value: PDOP

Date of Measurement: 06/20/2023

Ground Elevation: 6288

Field Name: IGNACIO BLANCO

Field Number: 38300

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: 14 Twp: 32N Rng: 7W

Footage at TPZ: 840 FNL 1025 FWL

Measured Depth of TPZ: 3679

True Vertical Depth of TPZ: 2962

FNL/FSL FEL/FWL

**Base of Productive Zone (BPZ)**Sec: 14 Twp: 32N Rng: 7WFootage at BPZ: 840 FNL 1025 FWLMeasured Depth of BPZ: 3679True Vertical Depth of BPZ: 2962 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 14 Twp: 32N Rng: 7WFootage at BHL: 840 FNL 1025 FWLFNL/FSLFEL/FWL**LOCAL GOVERNMENT PERMITTING INFORMATION**County: LA PLATA 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 ☐ 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.)

Dedicated Acres: 320 Acres in the N/2 Sect. 14, T32N, R7W

o Tract 1: Section 14: S/2N/2, NE/4NW/4

? Containing 200.00 acres

? Lease: Southern Ute 14-20-151-6

o Tract 2: Section 14: N/2NE/4

? Containing 80.00 acres

? Lessor: John Kermit Brynteson, et al. (Fee)

o Tract 3: Section 14: NW/4NW/4

? Containing 40.00 acres

? Lessor: R.Y. Austin, et. al. (Fee)

Total Acres in Described Lease: 320

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.)
FRUITLAND COAL	FRLDC	112-197	320	N/2

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: 840 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: \_\_\_\_\_ 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: 3679 Feet

TVD at Proposed Total Measured Depth 2962 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? No

BOP Equipment Type: ☐ Annular Preventor ☒ Double Ram ☐ Rotating Head ☐ None

Beneficial reuse or land application plan submitted? No

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>
SURF	12+1/4	9+5/8	H40	32.3	0	300	151	300	0
1ST	8+3/4	7	J55	23	0	3679	402	3679	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	OJO ALAMP	2472	2312	2669	2450	501-1000	USGS	Water (fresh/useable)
Confining Layer	KIRTLAND	2669	2450	2799	2534	1001-10000	USGS	None
Hydrocarbon	Fruitland Coal	2799	2534	3725	2982	1001-10000	USGS	Gas, Coal, Water
Hydrocarbon	Pictured Cliffs	3725	2982	3925	3182	1001-10000	USGS	None

**OPERATOR COMMENTS AND SUBMITTAL**

Comments

This application is in a Comprehensive Area Plan \_\_\_\_\_ CAP #: \_\_\_\_\_  
Oil and Gas Development Plan Name \_\_\_\_\_ OGDID #: \_\_\_\_\_  
Location ID: \_\_\_\_\_

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

Signed: \_\_\_\_\_ Print Name: Amanda Walker

Title: Operation Regulatory Tech Date: 10/20/2023 Email: mwalker@hilcorp.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: 10/30/2023

Expiration Date: 10/29/2026

**API NUMBER**

05 067 10048 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.

#### COA Type

#### Description

	Fee Surface - 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.
1 COA	

### Best Management Practices

#### No BMP/COA Type

#### Description

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### Attachment List

#### Att Doc Num

#### Name

403566895	FORM 2 SUBMITTED
403566941	OffsetWellEvaluations Data
403566943	FED. DRILLING PERMIT
403566945	OTHER
403566961	DIRECTIONAL DATA
403575616	OFFSET WELL EVALUATION

Total Attach: 6 Files

### General Comments

#### User Group

#### Comment

#### Comment Date

Permit	Final Review Completed.	10/26/2023
OGLA	This APD complies with the Jurisdictional agreement between the ECMC and the Southern Ute Indian Reservation. OGLA task Passed.	10/23/2023
Engineer	No conditions of approval – Southern Ute minerals – BLM jurisdiction. Engineering review complete.	10/20/2023

Total: 3 comment(s)