

State of Colorado Energy & Carbon Management Commission

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SUNDRY NOTICE

This form is required for reports, updates, and requests as specified in the COGCC rules. It is also used to request changes to some aspects of approved permits for Wells and Oil and Gas Locations.

OGCC Operator Number: <u>10017</u>	Contact Name <u>Matt Nelson</u>
Name of Operator: <u>CHACO ENERGY COMPANY</u>	Phone: <u>(303) 981-3840</u>
Address: <u>P O BOX 1587</u>	Fax: <u>()</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80201</u>	Email: <u>matt@chacoenergy.com</u>

FORM 4 SUBMITTED FOR:

Facility Type: WELL

API Number : 05- 075 06160 00 ID Number: 219308

Name: KOENIG-ASHBY Number: 3

Location QtrQtr: L5NW Section: 3 Township: 8N Range: 54W Meridian: 6

County: LOGAN Field Name: YENTER

Oil & Gas Location(s) and Oil & Gas Development Plan (OGDP) Information

Location(s)

Location ID	Location Name and Number
312187	KOENIG-ASHBY-68N54W 3L5NW

OGDP(s)

No OGDP

WELL LOCATION CHANGE OR AS-BUILT GPS REPORT

☐ Change of Location for Well * ☐ As-Built GPS Location Report ☐ As-Built GPS Location Report with Survey

* Well Location Change requires a new Plat.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude _____ Longitude _____

GPS Quality Value: _____ Type of GPS Quality Value: _____ Measurement Date: _____

Well Ground Elevation: _____ feet (Required for change of Surface Location.)

WELL LOCATION CHANGE

Well plan is: _____ (Vertical, Directional, Horizontal)

Change of **Surface** Footage From:

Change of **Surface** Footage To:

Current Surface Location From	QtrQtr <u>L5NW</u>	Sec <u>3</u>	Twp <u>8N</u>	Range <u>54W</u>	Meridian <u>6</u>
New Surface Location To	QtrQtr	Sec	Twp	Range	Meridian

Change of **Top of Productive Zone** Footage From:

Change of **Top of Productive Zone** Footage To:

Current Top of Productive Zone Location	Sec	Twp	Range
New Top of Productive Zone Location	Sec	Twp	Range

Change of **Base of Productive Zone** Footage **From**:

Change of **Base of Productive Zone** Footage **To**:

Current **Base of Productive Zone** Location

Sec

Twp

Range

New **Base of Productive Zone** Location

Sec

Twp

Range

Change of **Bottomhole** Footage **From**:

Change of **Bottomhole** Footage **To**:

Current **Bottomhole** Location

Sec

Twp

Range

** attach deviated drilling plan

New **Bottomhole** Location

Sec

Twp

Range

SAFETY SETBACK INFORMATION

Required for change of Surface Location.

Distance from Well to nearest:

Building: Feet
Building Unit: Feet
Public Road: Feet
Above Ground Utility: Feet
Railroad: Feet
Property Line: 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.

SUBSURFACE MINERAL SETBACKS

Required for change of Top and/or Base of Productive Zone. Enter 5280 for distance greater than 1 mile.

Is this Well within a unit?

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: 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.

LOCATION CHANGE COMMENTS

CHANGE OR ADD OBJECTIVE FORMATION AND/OR SPACING UNIT

<u>Objective Formation</u>	<u>Formation Code</u>	<u>Spacing Order Number</u>	<u>Unit Acreage</u>	<u>Unit Configuration</u>	<u>Add</u>	<u>Modify</u>	<u>No Change</u>	<u>Delete</u>
J SAND	JSND	0	0				X	

OTHER

☐ RULE 502 VARIANCE

Order Number: _____

Description: _____

☐ REMOVE FROM SURFACE BOND Signed surface use agreement is a required attachment

☐ CHANGE NAME OR NUMBER OF WELL, FACILITY, OIL & GAS LOCATION, OR OGD

From: Name KOENIG-ASHBY Number 3 Effective Date: _____

To: Name _____ Number _____

☐ ABANDON PERMIT: Permit can only be abandoned if the permitted operation has NOT been conducted. Field inspection will be conducted to verify site status.

☐ WELL: Abandon Application for Permit-to-Drill (Form2) – Well API Number _____ has not been drilled.

☐ PIT: Abandon Earthen Pit Permit (Form 15) – COGCC Pit Facility ID Number _____ has not been constructed (Permitted and constructed pit requires closure per Rule 911)

☐ CENTRALIZED E&P WASTE MANAGEMENT FACILITY: Abandon Centralized E&P Waste Management Facility Permit (Form 28) – Facility ID Number _____ has not been constructed (Constructed facility requires closure per Rule 907)

OIL & GAS LOCATION ID Number: _____

☐ Abandon Oil & Gas Location Assessment (Form 2A) – Location has not been constructed and site will not be used in the future.

☐ Keep Oil & Gas Location Assessment (Form 2A) active until expiration date. This site will be used in the future.

Surface disturbance from Oil and Gas Operations must be reclaimed per Rule 1003 and Rule 1004.

☐ REQUEST FOR WELL RECORDS CONFIDENTIALITY (Rule 206.c.(1))

☐ DIGITAL WELL LOG UPLOAD

☐ DOCUMENTS SUBMITTED Purpose of Submission: _____

☐ COMPLIANCE with CONDITION OF APPROVAL (COA) on Form NO: _____ Document Number: _____

RECLAMATION

INTERIM RECLAMATION

☐ Interim Reclamation will commence approximately _____

Per Rule 1003.e.(3) operator shall submit Sundry Notice reporting interim reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Interim reclamation complete, site ready for inspection.

Per Rule 1003.e(3) describe interim reclamation procedure in Comments below or provide as an attachment and attach required location photographs.

Field inspection will be conducted to document Rule 1003.e. compliance

FINAL RECLAMATION

☐ Final Reclamation will commence approximately _____

Per Rule 1004.c.(4) operator shall submit Sundry Notice reporting final reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Final reclamation complete, site ready for inspection. Per Rule 1004.c(4) describe final reclamation procedure in Comments below or provide as an attachment.

Field inspection will be conducted to document Rule 1004.c. compliance

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

☐ REPORT OF TEMPORARY ABANDONMENT

Describe the method used to ensure that the Well is closed to the atmosphere and the Operator's plans for future operation of the Well in the COMMENTS box below as required by Rule 434.b.(1).

☐ REQUEST FOR TEMPORARY ABANDONMENT EXCEEDING 6 MONTHS

State the reason for the extension request and explain the Operator's plans for future operation of the Well in the COMMENTS box below as required by Rule 434.b.(3).

Date well temporarily abandoned _____

Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required. Date of last MIT _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

☒ NOTICE OF INTENT/REQUEST FOR APPROVAL Approximate Start Date 12/04/2023

☐ SUBSEQUENT REPORT Date of Activity _____

- | | | |
|---|--|--|
| <input type="checkbox"/> Bradenhead Plan | <input type="checkbox"/> Venting or Flaring (Rule 903) | <input type="checkbox"/> E&P Waste Mangement |
| <input type="checkbox"/> Change Drilling Plan | <input checked="" type="checkbox"/> Repair Well | <input type="checkbox"/> Beneficial Reuse of E&P Waste |
| <input type="checkbox"/> Gross Interval Change | | |
| <input type="checkbox"/> Underground Injection Control | | |
| <input type="checkbox"/> Request approval of Reuse and Recycling Plan per Rule 905.a.(3). (Reuse and Recycling Plan must be attached.) | | |
| <input type="checkbox"/> Request approval of Alternative Sampling Plan per Rule 909.j.(6). for this Pit. (Alternative Sampling Program must be attached.) | | |
| <input type="checkbox"/> Other | | |

☐ Request that an existing produced water sample from the same formation be used per Rule 909.j.(6) to meet the requirements of Rule 909.j.(1)-(5) for this Well.

Pit ID _____ Pit Name _____

(No Sample Provided)

☒ Subsequent well operations with heavy equipment (Rule 312)

(No Well Provided)

COMMENTS:

It was determined there are holes in 5-1/2" production casing on the Koenig-Ashby #1 from 2,515' to 3,107'. One unsuccessful attempt was made to squeeze production casing and it was then determined the best course of action would be to run a 4-1/2" liner. A proposed WBS and procedure are attached for this operation.

GAS CAPTURE

VENTING AND FLARING:

Operation type: _____ Operational phase requiring venting/flaring: _____

Reason for venting/flaring: _____

Describe Other reason for venting/flaring: _____

Describe why venting or flaring is necessary. If reporting per Rule 903.b.(2), 903.c.(3).C, or 903.d.(2), include the explanation, rationale, and cause of the event:

Describe how the operation will protect and minimize adverse impacts to public health, safety, welfare, the environment, and wildlife resources. If reporting per Rule 903.d.(2), include BMPs used to minimize venting on the BMP Tab:

Total volume of gas vented or flared: _____ mcf ☐ estimated ☐ measured
Total duration of emission event: _____ hours ☐ consecutive ☐ cumulative

Submit a single representative gas analysis via Form 43 to create a Sample Site Facility ID# for this Location. Reference the Form 43 document number on the Related Forms tab.

Sample Site Facility ID#: _____

GAS CAPTURE PLAN

Describe the plan to connect to a gathering line or beneficially use the gas; include anticipated timeline:

A Gas Capture Plan that meets the requirements of Rule 903.e is attached. ☐

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>
2ND	5+1/2	4+1/2	P110	11.6	0	5182	100	5182	0

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	Pierre Shale	0	0	196	196	1001-10000	Groundwater Atlas	
Groundwater	Upper Pierre	196	196	1041	1041	1001-10000	Groundwater Atlas	
Confining Layer	Huntsman Shale	5155	5155	5220	5220		Other	Unknown
Hydrocarbon	Flow, J-Sand	5239	5239	5240	5240	1001-10000	Produced Water Sample	

H2S REPORTING

- ☐ Intentional release of H2S gas due to Upset Condition or malfunction.
☐ Intent to temporarily abandon well with potential H2S concentration >100 ppm.

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million) Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

OIL & GAS LOCATION UPDATES

OGDP ID _____ OGDP Name _____

SITE EQUIPMENT LIST UPDATES

Indicate the number and type of major equipment components planned for use on this Oil and Gas Location:

Wells _____	Oil Tanks _____	Condensate Tanks _____	Water Tanks _____	Buried Produced Water Vaults _____
Drilling Pits _____	Production Pits _____	Special Purpose Pits _____	Multi-Well Pits _____	Modular Large Volume Tank _____
Pump Jacks _____	Separators _____	Injection Pumps _____	Heater-Treaters _____	Gas Compressors _____
Gas or Diesel Motors _____	Electric Motors _____	Electric Generators _____	Fuel Tanks _____	LACT Unit _____
Dehydrator Units _____	Vapor Recovery Unit _____	VOC Combustor _____	Flare _____	Enclosed Combustion Devices _____
Meter/Sales Building _____	Pigging Station _____	Vapor Recovery Towers _____		

OTHER PERMANENT EQUIPMENT UPDATES

OTHER TEMPORARY EQUIPMENT UPDATES

CULTURAL AND SAFETY SETBACK UPDATES

OTHER LOCATION CHANGES AND UPDATES

Provide a description of other changes or updates to technical information for this Location:

POTENTIAL OGDP UPDATES

PROPOSED CHANGES TO AN APPROVED OGDP

☐ This Sundry Form 4 is being submitted pursuant to Rule 301.c to propose changes to an approved Oil and Gas Development Plan.

Check all boxes that pertain to the type(s) of changes being proposed for this OGDP:

- | | |
|--|--|
| <input type="checkbox"/> Add Oil and Gas Location(s) | <input type="checkbox"/> Add Drilling and Spacing Unit(s) |
| <input type="checkbox"/> Amend Oil and Gas Location(s) | <input type="checkbox"/> Amend Drilling and Spacing Unit(s) |
| <input type="checkbox"/> Remove Oil and Gas Location(s) | <input type="checkbox"/> Remove Drilling and Spacing Unit(s) |
| <input type="checkbox"/> Oil and Gas Location attachment or plan updates | <input type="checkbox"/> Amend the lands subject to the OGDP |
| <input type="checkbox"/> Other | |

Provide a detailed description of the changes being proposed for this OGD. Attach supporting documentation such as maps if necessary.

Best Management Practices

No BMP/COA Type

Description

Operator Comments:

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

Signed: _____ Print Name: Matt Nelson
Title: Operations Manager Email: matt@chacoenergy.com Date: 10/24/2023

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: Wolfe, Stephen Date: 11/13/2023

CONDITIONS OF APPROVAL, IF ANY:

COA Type

Description

0 COA

General Comments

User Group

Comment

Comment Date

Engineer	1) Provide electronic Form 42 Notice of MIRU 2 business days ahead of operations. 2) Prior to starting repair work a bradenhead test shall be performed. If the beginning pressure is greater than 25 psi, or if pressure remains at the conclusion of the test, or if any liquids were present contact ECMC Engineer for sampling requirements before pumping any cement. The Form 17 shall be submitted within 10 days of the test. 3) After setting the RBP and prior to running the new string, run a CBL to determine the TOC behind the production casing. Submit with the final Form 5. 4) The additional cement referenced shall be placed as indicated. The placed cement shall be verified with a CBL and documented with a Form 5 within 30 days of repair operations. 5) Perform a bradenhead test 30 days after the repair. The Form 17 shall be submitted within 10 days of the test.	11/13/2023
Engineer	Returning to draft for Operator to add second string to the casing table and check the box for a 312 review. Attach details of failed repair and job summary to this sundry as well.	10/20/2023

Total: 2 comment(s)

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
403542769	SUNDRY NOTICE APPROVED-OBJ-SBSQ-OPS-REPAIR-CSG
403543446	PROPOSED PROCEDURE
403543451	WELLBORE DIAGRAM
403543452	WELLBORE DIAGRAM
403569375	OPERATIONS SUMMARY
403593571	FORM 4 SUBMITTED

Total Attach: 6 Files