

FORM
4
Rev
03/22

State of Colorado
Energy & Carbon Management Commission
1120 Lincoln Street, Suite 801, Denver, Colorado 80203
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DEETOEES
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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: 10651

Contact Name Allison Schieber

Name of Operator: VERDAD RESOURCES LLC

Phone: (720) 845-6909

Address: 1125 17TH STREET SUITE 550

Fax: ()

City: DENVER State: CO Zip: 80202

Email: aschieber@verdadresources.com

FORM 4 SUBMITTED FOR:

Facility Type: WELL

API Number : 05- 123 51640 00 ID Number: 481260

Name: COUNTYLINE Number: 0508-14H

Location QtrQtr: SWSE Section: 31 Township: 1N Range: 65W Meridian: 6

County: WELD Field Name: WATTENBERG

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

Location(s)

Location ID	Location Name and Number
474767	County Line Pad

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 SWSE Sec 31 Twp 1N Range 65W Meridian 6

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 5 Twp 1S Range 65W

New Top of Productive Zone Location Sec Twp Range

FNL/FSL

FEL/FWL

340 FSL 1895 FEL

460 FNL 907 FWL

**

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

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

Current **Base of Productive Zone** Location

New **Base of Productive Zone** Location

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

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

Current **Bottomhole** Location

New **Bottomhole** Location

Sec8

Twp1S

Range65W

** attach deviated drilling plan

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								
Objective Formation	Formation Code	Spacing Order Number	Unit Acreage	Unit Configuration	Add	Modify	No Change	Delete
CODELL	CODL	407-2629	640	W2: Sec 5 & 8	X			
NIOBRARA	NBRR	407-2629	640	W2: Sec 5 & 8				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 _____ COUNTYLINE _____ Number 0508-14H _____ 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: formation change directional updates _____

☐ 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 01/16/2024

☐ 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 checked="" type="checkbox"/> Change Drilling Plan | <input 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:

Formation change from NBRR to CODELL. Surface has been set on these wells. Updated directionals , casing, and formation information.

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>
CONDUCTOR	26	16	astm	65	0	80	92	80	0
SURF	13+1/2	9+5/8	j55	36	0	2438	662	2438	0
1ST	8+1/2	5+1/2	p110	20	0	17906	2237	17906	

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	DENVER	0	0	983	976	501-1000	USGS	USGS-400012104431601, USGS-395958104433101
Groundwater	FOX HILLS	983	976	1283	1261	501-1000	USGS	USGS-400138104404301
Confining Layer	PIERRE	1283	1261	1792	1729			
Groundwater	UPPER PIERRE POROSITY	1792	1729	2348	2233	1001-10000	Other	CO DNR Report Project Number 2141
Confining Layer	PIERRE	2348	2233	4679	4365			
Hydrocarbon	PARKMAN	4679	4365	4957	4620			NON PRODUCING HORIZON
Confining Layer	PIERRE	4957	4620	5020	4677			
Hydrocarbon	SUSSEX	5020	4677	5293	4927			NON PRODUCING HORIZON
Confining Layer	PIERRE	5293	4927	7643	7072			
Hydrocarbon	SHARON SPRINGS	7643	7072	7649	7077			NON PRODUCING HORIZON
Hydrocarbon	NIOBRARA	7649	7077	8397	7487			
Hydrocarbon	CODELL	8397	7487	17906	7495			

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 OGDG UPDATES

PROPOSED CHANGES TO AN APPROVED OGDG

☐ 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 OGDG:

- | | |
|--|--|
| <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 OGDG |
| <input type="checkbox"/> Other | |

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

Best Management Practices

No BMP/COA Type

Description

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Operator Comments:

Formation change from NBRR to CODELL. Surface has been set on these wells. Updated directionals , casing, and formation information.

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

Signed: _____ Print Name: Allison Schieber
Title: REGULATORY Email: aschieber@verdadresources.com Date: 1/4/2024

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

COGCC Approved: McCoy, Diane Date: 1/25/2024

CONDITIONS OF APPROVAL, IF ANY:**COA Type****Description**

	Per 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.
	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.
	This Sundry Notice Form 4 authorizes changes in the drilling/casing/cementing program as shown on the Drilling Permit Form 2 and must be visibly posted with the permit during drilling.

3 COAs

General Comments**User Group****Comment****Comment Date**

Engineer	Offset wells were evaluated and COAs applied for offset mitigation during the the Form 2 review.	01/25/2024
Permit	Made the following changes with concurrence from the operator: - Selected delete for Niobrara in objective formations. Permit Review Complete	01/11/2024

Total: 2 comment(s)

Attachment List**Att Doc Num****Name**

403643996	SUNDRY NOTICE APPROVED-OBJ-DRLG-CSG-DOC
403645178	DEVIATED DRILLING PLAN
403645185	DIRECTIONAL DATA
403666517	FORM 4 SUBMITTED

Total Attach: 4 Files