

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:

403664518

Date Received:

02/26/2024

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: CHEVRON

Well Number: TR 432-28-597

Name of Operator: TEP ROCKY MOUNTAIN LLC

ECMC 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

ECMC Financial Assurance

☒ The Operator has provided or will provide Financial Assurance to the ECMC 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: SWNE Sec: 28 Twp: 5S Rng: 97W Meridian: 6

Footage at Surface: 2104 Feet FNL/FSL 1320 Feet FEL/FWL

Latitude: 39.586991 Longitude: -108.282006

GPS Data: GPS Quality Value: 2.5 Type of GPS Quality Value: PDOP

Date of Measurement: 09/12/2014

Ground Elevation: 8482

Field Name: RULISON

Field Number: 75400

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: 28 Twp: 5S Rng: 97W Footage at TPZ: 1792 FNL 2355 FEL

Measured Depth of TPZ: 6631 True Vertical Depth of TPZ: 6535 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)Sec: 28 Twp: 5S Rng: 97WFootage at BPZ: 1792 FNL 2355 FELMeasured Depth of BPZ: 9591True Vertical Depth of BPZ: 9495 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 28 Twp: 5S Rng: 97WFootage at BHL: 1792 FNL 2355 FELFNL/FSLFEL/FWL**LOCAL GOVERNMENT PERMITTING INFORMATION**County: GARFIELDMunicipality: 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 LOCATIONSurface 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.)

SEE ATTACHED LEASE MAPTotal Acres in Described Lease: 20658 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: 890 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.)
ILES	ILES	1-229		
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: 8463 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: 317 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: 9591 Feet

TVD at Proposed Total Measured Depth 9495 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 H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than

or equal to 100 ppm? No If yes, attach an H₂S 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? _____

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	134	80	0
SURF	13+1/2	9+5/8	J55	36.0	0	3097	740	3097	0
1ST	8+3/4	4+1/2	P110	11.6	0	9591	899	9591	4203

☐ 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	GREEN RIVER	0	0	2741	2702	1001-10000	Other	Nearby depth to water and TDS data sources
Confining Layer	UPPER WASATCH	2741	2702	4403	4336			
Hydrocarbon	G SAND	4403	4336	4585	4515			
Hydrocarbon	FORT UNION	4585	4515	5716	5628			
Hydrocarbon	OHIO CREEK	5716	5628	6314	6218			
Hydrocarbon	UPPER MESAVERDE	6314	6218	6631	6535			
Hydrocarbon	TOP GAS	6631	6535	8440	8344			
Hydrocarbon	CAMEO	8440	8344	8710	8614			
Hydrocarbon	ROLLINS	8710	8614	8897	8801			
Hydrocarbon	COZZETTE	8897	8801	9125	9029			
Hydrocarbon	CORCORAN	9125	9029	9275	9179			
Hydrocarbon	SEGO	9275	9179	9591	9495			

OPERATOR COMMENTS AND SUBMITTAL

Comments

Nearest offset well producing from the same lease and permitted or completed in the same formation: Chevron TR 532-28
-597 (Doc ID#403664509)
OGDP application (Docket# 230500188) was approved on 01/03/2024. Form 2A (Doc# 403369764) was approved on 01/17/2024.

This application is in a Comprehensive Area Plan _____ No _____ CAP #: _____
Oil and Gas Development Plan Name TR 32-28-597 OGDID ID#: 485288
Location ID: 324040

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: 2/26/2024 Email: mluke@terraep.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 ECMC Rules, applicable orders, and SB 19-181 and is hereby approved.

ECMC Approved:  Director of ECMC Date: 5/10/2024

Expiration Date: 01/09/2027

API NUMBER

05 045 23562 00

CONDITIONS OF APPROVAL, IF ANY LIST

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	<p>1.Operator shall comply with the most current revision of the Northwest Notification Policy.</p> <p>2.Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: All field notice requirements specified in that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1).</p> <p>3.Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesaverde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.</p>
Construction	If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016).
Drilling/Completion Operations	Operator will log two (2) additional wells during the second rig occupation with open-hole resistivity log with gamma-ray log from the kick-off point into the surface casing for the stratigraphically deepest wells for a total of three wells logged.
Interim Reclamation	Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017).
4 COAs	

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Alternative Logging Program: 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 surface casing. 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.'

Total: 1 comment(s)

ATTACHMENT LIST

<u>Att Doc Num</u>	<u>Name</u>
403664518	FORM 2 SUBMITTED
403664541	DIRECTIONAL DATA
403664542	DEVIATED DRILLING PLAN
403664545	WELL LOCATION PLAT
403664913	OffsetWellEvaluations Data

403665063	LEASE MAP
403748469	OffsetWellEvaluations Data
403786254	OFFSET WELL EVALUATION

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	04/11/2024
Engineer	<p>Changed casing setting depth to match attached drilling plan and cement bottom depth</p> <p>Offset water well check: There are no permitted water wells within one mile of this proposed surface hole location.</p> <p>Offset Well Evaluation: Existing offset oil and gas wells within 1,500 feet of this wellbore meet standards. No mitigation required.</p> <p>There is no offset Wasatch G production within 1 mile</p> <p>Uploaded new version of offset well review with additional wells added</p>	04/09/2024
Permit	Passed Permitting review	02/27/2024
Engineer	Sent back to draft on 2/22/2024 to correct the API number and/or the refile status. The API submitted on the form does not match the well name. Area engineer contacted Operator about making the correction.	02/22/2024
Permit	Corrected SHL to match plat	02/14/2024
OGLA	The Commission approved OGDG #485288 on January 10, 2024 for the Oil and Gas Location related to this Form 2. OGLA task passed.	02/01/2024

Total: 6 comment(s)