

FORM  
2  
Rev  
05/22

# State of Colorado Energy & Carbon Management Commission

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Document Number:

403385116

Date Received:

10/07/2024

## 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: EAST STREET      Well Number: 22-9HZ  
Name of Operator: KERR MCGEE OIL & GAS ONSHORE LP      ECMC Operator Number: 47120  
Address: P O BOX 173779  
City: DENVER      State: CO      Zip: 80217-3779  
Contact Name: Loryn Spady      Phone: (720)9293504      Fax: ( )  
Email: Loryn\_Spady@oxy.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): 20230087

### 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: SWSE      Sec: 22      Twp: 3N      Rng: 63W      Meridian: 6

Footage at Surface: 326 Feet <sup>FNL/FSL</sup> FSL 2155 Feet <sup>FEL/FWL</sup> FEL

Latitude: 40.204529      Longitude: -104.422169

GPS Data:      GPS Quality Value: 1.2      Type of GPS Quality Value: PDOP      Date of Measurement: 02/14/2023

Ground Elevation: 4750

Field Name: WATTENBERG      Field Number: 90750

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: 27      Twp: 3N      Rng: 63W      Footage at TPZ: 75      <sup>FNL</sup> 687      <sup>FEL</sup>  
Measured Depth of TPZ: 7055      True Vertical Depth of TPZ: 6453      <sup>FNL/FSL</sup>      <sup>FEL/FWL</sup>

Base of Productive Zone (BPZ)

Sec: 3 Twp: 2N Rng: 63W Footage at BPZ: 75 FSL 752 FEL

Measured Depth of BPZ: 22743 True Vertical Depth of BPZ: 6465 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 3 Twp: 2N Rng: 63W Footage at BHL: 75 FSL 752 FEL

FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD 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.? Yes

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? [X] Yes [ ] No

[X] 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: Approved Date of Final Disposition: 04/27/2023

Comments: WOGLA #: 1041WOGLA23-0030

SURFACE AND MINERAL OWNERSHIP AT WELL'S OIL & GAS LOCATION

Surface Owner of the land at this Well's Oil and Gas Location: [X] Fee [ ] State [ ] Federal [ ] Indian

Mineral Owner beneath this Well's Oil and Gas Location: [X] 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):

- [X] 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.)

Township 2 North, Range 63 West, 6th P.M.  
Section 3: All, less the RROW in the N2S2  
Weld County, Colorado

Total Acres in Described Lease: 631 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: 556 Feet  
Railroad: 5280 Feet  
Property Line: 326 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	407-3588	1920	T3N-63W: SEC 27 All, Sec 34 All, T2N 63W Sec 3 All

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: 75 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: 425 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: 22743 Feet TVD at Proposed Total Measured Depth 6465 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: 74 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? Yes

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	26	16	ASTM A53 B	36.94	0	80	64	80	0
SURF	12+1/4	8+5/8	L80	28	0	1705	660	1705	0
1ST	7+7/8	5+1/2	HCP110	17	0	22743	2603	22743	

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	Fox Hills and Shallower	17	17	538	538	501-1000	USGS	Depth from DWR
Confining Layer	Pierre Shale	539	539	708	707			
Groundwater	Upper Pierre Aquifer	709	708	1620	1598	1001-10000	Electric Log Calculation	Controlled by samples
Confining Layer	Pierre Shale	1621	1599	4062	3956			
Hydrocarbon	Sussex	4063	3957	4424	4306			Non-productive
Confining Layer	Pierre Shale	4425	4307	6978	6449			
Hydrocarbon	Niobrara	6988	6450	22743	6465			Base MD/TVD for target formation is BHL per ECMC

### OPERATOR COMMENTS AND SUBMITTAL

Comments

PLEASE ENSURE ALL CORRESPONDENCE ASSOCIATED WITH THIS PERMIT GOES TO ANALYST AND DJREGULATORY EMAIL ADDRESSES, AS LISTED ON THIS PERMIT.

Offset well buffer description for the subject well has been included on this permit for review as an attachment labeled "Other."

Base of Productive Zone is the same as Bottom Hole Location.

The nearest offset wellbore permitted or completed in the same formation is EAST STREET 22-10HZ, DOC ID: 403385119.

This application is in a Comprehensive Area Plan Yes CAP #: 211200237  
Oil and Gas Development Plan Name Colt OGDP OGDP ID#: 485743  
Location ID: 486283

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

Signed: \_\_\_\_\_ Print Name: Loryn Spady

Title: Regulatory Analyst Date: 10/7/2024 Email: DJREGULATORY@OXY.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: 12/6/2024

Expiration Date: 08/10/2028

<b>API NUMBER</b> 05 123 52821 00
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## 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	Operator acknowledges the proximity of the listed non-operated wells. Operator assures that this offset list will be remediated per the Offset Well Evaluation and Hydraulic Fracturing Operator Guidance Document Operator using Option 3. Operator will submit a Form 42 ("OFFSET MITIGATION COMPLETED") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.  123-05094 WADDLE *1 COLORADO ENERGY CORPORATION 123-07259 PROSPECT ROYALTY *1 VESSELS* TOM 123-13237 CERVI *34-1 MARTINEX CORP 123-18217 UPV *3-13K3 SNYDER OIL CORP
Drilling/Completion Operations	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.
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) Oil based drilling fluid can only be used after all groundwater has been isolated.
Drilling/Completion Operations	Operator will log one (1) additional wells 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/direction of the pad for a total of two wells logged.
4 COAs	

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Anti-Collision: Kerr-McGee will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within one hundred fifty (150) feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators within one hundred fifty (150) feet prior to drilling.
2	Drilling/Completion Operations	Alternative Logging Program: One of the first wells drilled on the pad will be logged with open-hole resistivity log and gamma-ray log from the kick-off point 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 open-hole logs shall state "Alternative Logging Program - No open-hole logs were run" and shall clearly identify the type of log and the well (by API#) in which open-hole logs were run.

Total: 2 comment(s)

**ATTACHMENT LIST**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
403385116	FORM 2 SUBMITTED
403926737	LEASE MAP
403926738	OTHER
403926739	DEVIATED DRILLING PLAN
403926740	WELL LOCATION PLAT
403926742	DIRECTIONAL DATA
404018172	OFFSET WELL EVALUATION

Total Attach: 7 Files

**General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	Final Review Completed.	11/22/2024
Permit	Permitting review complete	10/21/2024
OGLA	The Commission approved OGDG #485743 on March 6, 2024 for the Oil and Gas Location related to this Form 2. OGLA task passed.	10/17/2024

Total: 3 comment(s)