

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:

404005816

(SUBMITTED)

Date Received:

04/24/2025

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: SOUTHERN UTE Well Number: 706H

Name of Operator: HILCORP ENERGY COMPANY ECMC Operator Number: 10133

Address: P O BOX 61229

City: HOUSTON State: TX Zip: 77208

Contact Name: Amanda Walker Phone: (346)2372177 Fax: ()

Email: mwalker@hilcorp.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): 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: 6 Sec: 19 Twp: 32N Rng: 7W Meridian: N

Footage at Surface: 350 Feet FSL 499 Feet FEL

Latitude: 37.000878 Longitude: -107.643019

GPS Data: GPS Quality Value: 2.3 Type of GPS Quality Value: PDOP Date of Measurement: 09/25/2023

Ground Elevation: 7106

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: 20 Twp: 32N Rng: 7W Footage at TPZ: 1037 FNL 749 FWL
Measured Depth of TPZ: 4705 True Vertical Depth of TPZ: 4715 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 21 Twp: 32N Rng: 7W Footage at BPZ: 1037 FNL 749 FWL
Measured Depth of BPZ: 10067 True Vertical Depth of BPZ: 3761 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 21 Twp: 32N Rng: 7W Footage at BHL: 1765 FNL 697 FEL
FNL/FSL FEL/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 Indian

Mineral 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.)

N/2 N/2 Section 20, Township 32 North, Range 7 West, N.M.P.M.

Total Acres in Described Lease: 160 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	112.242		

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: 689 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: 3179 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

Order No. 112-242 is hereby amended to allow an additional two horizontal wells, for a total of three horizontal wells, within an established approximate 607.19-acre drilling and spacing unit for the Application Lands within the unit for the development o

DRILLING PROGRAMProposed Total Measured Depth: 10067 Feet TVD at Proposed Total Measured Depth 3761 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: 1485 Feet No well belonging to another operator within 1,500 feetWill a closed-loop drilling system be used? YesIs 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? _____

Will salt based (>15,000 ppm Cl) drilling fluids be used? _____

Will oil based drilling fluids be used? NoBOP Equipment Type: Annular Preventor Double Ram Rotating Head NoneBeneficial 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	320	144	320	0
1ST	8+3/4	7	J55	23	0	5046	503	5046	0
S.C. 2.1	8+3/4	7	J55	23	0	5046	70	5046	4546
2ND LINER	6+1/4	4+1/2	L80	11.6	4715	10067			

 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 ALAMO	3508	3186	33835	3324	501-1000	USGS	WATER (FRESH, USEABLE)
Confining Layer	KIRTLAND	3835	3324	4033	3408	1001-10000	USGS	NONE
Hydrocarbon	FRUITLAND COAL	4033	3408	5093	3856	1001-10000	USGS	GAS, COAL WATER
Hydrocarbon	PICTURED CLIFFS	5093	3856	5293	4056	1001-10000	USGS	NONE

OPERATOR COMMENTS AND SUBMITTALComments Lateral 2

This application is in a Comprehensive Area Plan _____ CAP #: _____

Oil and Gas Development Plan Name _____ OGDP ID#: _____

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 WalkerTitle: OPERATION REGULATORY TECH Date: 4/24/2025 Email: mwalker@hilcorp.com

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: _____
Expiration Date: _____

API NUMBER
05

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>
0 COA	

Operator Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>

ATTACHMENT LIST

<u>Att Doc Num</u>	<u>Name</u>
404005825	OffsetWellEvaluations Data
404105148	FED. SUNDRY NOTICE
404105154	DIRECTIONAL DATA
404176992	OTHER

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft per operator request.	12/10/2024

Total: 1 comment(s)