

FORM  
2

Rev  
12/05

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400323616

Date Received:

09/04/2012

PluggingBond SuretyID

20120079

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER \_\_\_\_\_  
SINGLE ZONE ☐ MULTIPLE ☒ COMMINGLE ☒

Refiling ☐

Sidetrack ☐

3. Name of Operator: ENERGY & EXPLORATION PARTNERS OPERATING LP

4. COGCC Operator Number: 10432

5. Address: 100 THROCKMORTON STREET #1700

City: FORT WORTH State: TX Zip: 76102

6. Contact Name: Jeff Reale Phone: (970)663-1448 Fax: (970)667-0046

Email: jeff@mistymountainop.com

7. Well Name: VARRA Well Number: 5-53

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 7500

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 5 Twp: 6N Rng: 67W Meridian: 6

Latitude: 40.511950 Longitude: -104.921240

Footage at Surface: 1201 feet FNL/FSL 1517 feet FEL/FWL FWL

11. Field Name: Wattenberg Field Number: 90750

12. Ground Elevation: 4873 13. County: WELD

14. GPS Data:

Date of Measurement: 08/22/2012 PDOP Reading: 2.8 Instrument Operator's Name: Richard Gabriel

15. If well is ☐ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL \_\_\_\_\_ FEL/FWL \_\_\_\_\_ Bottom Hole: FNL/FSL \_\_\_\_\_ FEL/FWL \_\_\_\_\_

Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 883 ft

18. Distance to nearest property line: 632 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 2210 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Codell/Niobrara	NB-CD	407-87	160	SW/4

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: \_\_\_\_\_

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No

23b. If 23 is No: ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

Section 5, T6N, R67W, SW/4, except a portion of the SW/SW

25. Distance to Nearest Mineral Lease Line: 632 ft

26. Total Acres in Lease: 122

### DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☒ Land Spreading ☐ Disposal Facility Other: \_\_\_\_\_

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24	0	660	360	660	0
1ST	7+7/8	4+1/2	11.5	0	7,500	480	7,500	3,000

32. BOP Equipment Type: ☐ Annular Preventer ☒ Double Ram ☐ Rotating Head ☐ None

33. Comments No conductor casing will be set

34. Location ID: \_\_\_\_\_

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

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

Signed: \_\_\_\_\_ Print Name: Jeff Reale

Title: Agent Date: 9/4/2012 Email: jeff@mistymountainop.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 COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: Matthew Lee Director of COGCC Date: 10/12/2012

#### API NUMBER

05 123 36162 00

Permit Number: \_\_\_\_\_ Expiration Date: 10/11/2014

#### CONDITIONS OF APPROVAL, IF ANY:

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.

Operator must meet Water Well Testing requirements as per amended Rule 318Ae(4)

- 1) Note surface casing setting depth change from 500' to 660'. Increase cement coverage accordingly.
- 2) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 3) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.

### **Attachment Check List**

Att Doc Num	Name
400323616	FORM 2 SUBMITTED
400323674	SURFACE AGRMT/SURETY
400324292	WELL LOCATION PLAT
400324293	TOPO MAP

Total Attach: 4 Files

### **General Comments**

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Final Review	Changed #17 from 1147 to 883' based on Form 2A distance to Building.	10/12/2012 8:34:54 AM
Permit	Final review complete.	10/9/2012 8:46:08 AM
Permit	Ready to pass pending public comment 10/1/12. Corrected Lease Description as per opr.	9/14/2012 3:53:42 PM
LGD	<p>The Town of Windsor is in receipt of COGCC notification of the abovementioned applications for oil and gas facilities. Please be advised that the subject property is located within the Town's Growth Management Area (GMA). The Town's Comprehensive Plan states, "The GMA is intended to define those specific areas within the planning area where it is most logical to extend urban services in the near term, that is, within the next five to ten years."</p> <p>Below please find the conditions of approval that are typically applied to conditional use grants for oil and gas operations located within Town. Therefore, the Town recommends the following conditions be placed on the abovementioned oil and gas facilities:</p> <p>1. Prior to the commencement of drilling, the applicant shall submit comprehensive "Drilling and Site Improvement Plans" for review and approval by the Town. Such plans shall address initial drilling activities, initial installation of site improvements and details, and on-going perpetual maintenance of the subject site including, but not limited to, the following:</p> <p>a. Site access plan. The Drilling and Site Improvement Plans and supplemental information shall address site access points and haul routes for review and approval.</p> <p>b. Public street clean-up and tracking prevention. The Drilling and Site Improvement Plans and supplemental information shall include a tracking pad for review and approval.</p> <p>c. Site grading. The Drilling and Site Improvement Plans and supplemental information shall address site grading, including any earth berms for emergency containment.</p> <p>d. Site lighting. The Drilling and Site Improvement Plans and supplemental information shall include details regarding site lighting fixtures and locations. Security and other site lighting shall utilize full cutoff light fixtures to mitigate light pollution.</p>	9/7/2012 3:45:06 PM

	<p>e. Temporary screening. The applicant shall install a buffer to screen the initial drilling activities and installation of site improvements from surrounding neighborhoods and streets.</p> <p>f. Fencing. The Drilling and Site Improvement Plans shall depict fencing of the perimeter of the site. Fencing materials shall be reviewed for approval by the Town based upon the character of the surrounding neighborhood.</p> <p>g. Oil and gas equipment.</p> <p>(1) The applicant shall utilize electric motors in order to mitigate the noise impacts to the neighboring properties.</p> <p>(2) The applicant shall ensure that the wells and tanks are of the minimum size required to satisfy present and future functional requirements to mitigate visual impacts.</p> <p>(3) Low profile tanks shall be utilized and shall be installed in the least visible manner possible.</p> <p>(4) All tanks and equipment shall be painted to blend-in with the surrounding landscape.</p> <p>h. Air quality.</p> <p>(1) The applicant shall participate in any required Environmental Protection Agency (EPA) air quality monitoring and/or testing by allowing EPA to install equipment on site for said monitoring and testing.</p> <p>(2) The applicant shall install and operate an emissions control device (ECD) capable of reducing Volatile Organic Compound (VOC) emissions on the subject oil and gas equipment in accordance with Colorado Oil and Gas Conservation Commission (COGCC) and/or the Colorado Department of Public Health and Environment (CDPHE) rules and regulations.</p> <p>(3) The applicant shall submit to the Town copies of all air emissions reporting as required by the COGCC and/or the CDPHE's Air Pollution Control Division.</p> <p>i. Water quality.</p> <p>(1) The applicant shall ensure that any hydrocarbon discharges from the site comply with all state and federal water quality requirements.</p> <p>(2) The applicant shall participate in the Colorado Oil and Gas Association (COGA) Baseline Groundwater Quality Sampling Program utilizing independent third party sampling and laboratories and shall provide to the Town test results obtained before and after drilling operations.</p> <p>j. Emergency containment. The secondary containment berm surrounding all storage vessels shall be designed and constructed to contain a minimum of 110% of the volume of the largest vessel located within the containment area or to State of Colorado standards, whichever requirements are more stringent.</p> <p>k. Waste disposal. The applicant shall submit to the Town copies of all waste management reports as required by the COGCC and/or the CDPHE rules and regulations.</p> <p>l. The following certification blocks shall be included on the Drilling and Site Improvement Plans:</p> <p>(1) A signed owner's acknowledgement certification block.</p> <p>(2) A signed drilling operator's acknowledgement certification block.</p> <p>m. The following notes shall be included on the Drilling and Site Improvement Plans:</p>	
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	<p>(1)The applicant shall comply with all rules and regulations of the Colorado Oil and Gas Conservation Commission (COGCC).</p> <p>(2)The applicant shall comply with all rules and regulations of the Colorado Department of Public Health and Environment (CDPHE).</p> <p>(3)The applicant shall maintain on-going compliance with all conditions of the Town and Windsor-Severance Fire Rescue.</p> <p>(4)The facilities shall be kept clean and otherwise properly maintained at all times.</p> <p>(5)The existing access may be utilized for oil and gas well activities.This access point is temporary and will be required to be removed at such time that permanent access is available in the future.</p> <p>2.The applicant shall address and comply with the conditions of Windsor-Severance Fire Rescue.</p>		
Permit	Operator corrected casing information. Well location plat and topo map contain correct information/values match.	9/6/2012 4:50:29 PM	
Permit	<p>Return to Draft:</p> <p>1. Provide all informatin in casing table for each casing string, including conductor pipe. If no conductor pipe is used, then this must be noted in the Operator Comments section.</p> <p>2. Well location plat does not match the values provided, well name, or 1/4, 1/4 section.</p> <p>3. Topo map does not match well name or location.</p> <p>Just an FYI:</p> <p>1. Field name and number does not match GIS mapping location.</p> <p>2. Spacing order does not match location.</p>	9/5/2012 4:59:53 PM	

Total: 6 comment(s)

### **BMP**

Type

Comment

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Total: 0 comment(s)