

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:

400418755

Date Received:

05/15/2013

PluggingBond SuretyID

20120073

## APPLICATION FOR PERMIT TO:

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

## 2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER ☐ PILOT  
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐Refiling ☐Sidetrack ☐

3. Name of Operator: CHAMA OIL &amp; MINERALS LLC

4. COGCC Operator Number: 10431

5. Address: PO BOX 50203

City: MIDLAND State: TX Zip: 79710

6. Contact Name: WILLIAM HEARD Phone: (432)683-8000 Fax: (432)683-8250

Email: BILL.HEARD@CHAMAOIL.COM

7. Well Name: MCBRYDE STATE 16-17-48

Well Number: 1P

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

9. Proposed Total Measured Depth: 6300

## WELL LOCATION INFORMATION

10. QtrQtr: NW NE Sec: 16 Twp: 17S Rng: 48W Meridian: 6

Latitude: 38.583570

Longitude: -102.793104

Footage at Surface: 600 feet FNL/FSL FNL 1980 feet FEL/FWL FEL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4231 13. County: KIOWA

## 14. GPS Data:

Date of Measurement: 04/25/2013 PDOP Reading: 2.0 Instrument Operator's Name: C VANMATRE

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: 600

18. Distance to nearest property line: 600 19. Distance to nearest well permitted/completed in the same formation(BHL): 10800 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| SPERGEN                | SPGN           |                         |                               |                                      |

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 1667.1122. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☐ No23b. 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 16 (ALL), T-17-S, R-48-W

25. Distance to Nearest Mineral Lease Line: 600 ft

26. Total Acres in Lease: 640

### 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: SEE COMMENTS

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       | 9+5/8          | 36    | 0             | 500           | 240       | 500     | 0       |
| 1ST         | 8+3/4        | 7              | 26    | 0             | 5,600         | 400       | 5,600   | 3,400   |

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

33. Comments NO CONDUCTOR TO BE USED. MCBRYDE STATE 16-17-48 #1-P AND #1-H WILL BE DRILLED FROM THE SAME WELL BORE. 1-P WILL BE A VERTICAL PILOT HOLE DRILLED TO APPROXIMATE TD OF 6300'. WELL WILL BE PLUGGED BACK AND THE 1-H HORIZONTAL WILL BE DRILLED AS NOTED ON THE PLAT. THE HORIZONTAL OPEN HOLE WILL BE TREATED AND TESTED. CLOSED LOOP MUD SYSTEM WILL BE USED. DE-WATERED CUTTINGS WILL BE PLACED IN CUTTINGS PIT. MUD DISPOSAL WILL BE ONSITE BY PLACING IN CUTTINGS PIT AT END OF WELL (HORIZONTAL) AND ALLOWING SOLIDS TO SETTLE. FREE WATER WILL BE REMOVED AND SENT TO COMMERCIAL DISPOSAL, SOLIDS WILL BE STABILIZED. PIT SAMPLES WILL BE TAKEN TO ENSURE COMPLIANCE WITH 910-1 CRITERIA PRIOR TO PIT CLOSURE. CHAMA REQUESTS THAT ALL DATA PERTAINING TO THIS WELL BE KEPT CONFIDENTIAL.

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: WILLIAM HEARD

Title: PROJECT DRILLING ENGINEER Date: 5/15/2013 Email: BILL.HEARD@CHAMAOIL.

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: \_\_\_\_\_ Director of COGCC Date: \_\_\_\_\_

API NUMBER

05

Permit Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

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.

Data retrieval failed for the subreport 'IntPolicy\_NTO' located at: W:\Inetpub\NetReports\policy\_nto.rdl. Please check th

### Attachment Check List

| Att Doc Num | Name                 |
|-------------|----------------------|
| 400418755   | FORM 2 SUBMITTED     |
| 400418827   | PLAT                 |
| 400418828   | OTHER                |
| 400418831   | SURFACE AGRMT/SURETY |
| 400418833   | 30 DAY NOTICE LETTER |

Total Attach: 5 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>  | <u>Comment Date</u>     |
|-------------------|---|-------------------------|
| Permit            | Returned to draft. Requested operator clarify cuttings disposal comment, relate the form 2A to this 2, operator input "pilot" into line 2, and informed operator that an additional form 2 would be required to drill the lateral wellbore. | 5/16/2013<br>6:22:55 AM |

Total: 1 comment(s)

### BMP

| <u>Type</u> | <u>Comment</u> |
|-------------|----------------|
|             |                |

Total: 0 comment(s)