

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:

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Date Received:

04/04/2013

PluggingBond SuretyID

20100227

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: CONOCO PHILLIPS COMPANY

4. COGCC Operator Number: 19160

5. Address: P O BOX 2197

City: HOUSTON State: TX Zip: 77252-2197

6. Contact Name: Justin Carlile Phone: (281)293-1499 Fax: (432)688-2019

Email: justin.carlile@conocophillips.com

7. Well Name: Murphy Family 4-64 25

Well Number: 1H

8. Unit Name (if appl):

Unit Number:

9. Proposed Total Measured Depth: 11920

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 25 Twp: 4S Rng: 64W Meridian: 6

Latitude: 39.678628

Longitude: -104.508494

Footage at Surface: 660 feet FNL/FSL 244 feet FEL/FWL

11. Field Name: Wildcat

Field Number: 99999

12. Ground Elevation: 5824

13. County: ARAPAHOE

14. GPS Data:

Date of Measurement: 07/13/2012 PDOP Reading: 1.4 Instrument Operator's Name: Robert Kay

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
720 FNL 814 FWL 990 FNL 480 FEL
Sec: 25 Twp: 4S Rng: 64W Sec: 25 Twp: 4S Rng: 64W

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: 610 ft

18. Distance to nearest property line: 244 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 570 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Niobrara | NBRR | 535-155 | 640 | ALL |

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):

Tract 19: All of section 25, in township 4 South, Range 64 W, in Arapahoe County, Colorado, SAVE AND EXCEPT a tract of land containing 81.78 acres, more or less, out of the SE/4 of said Section 25, being that portion of the following tract located within the said Section 25 to wit: beginning at the Southeast corner of said Section 25, thence north along the east line of said Section 25 for a distance of 1500.00 feet, thence west 2375.00 feet, thence south 1500 feet to the south boundary line of Section 25, thence east 2375.00 feet to the point of beginning, containing 558.22 acres, more or less

25. Distance to Nearest Mineral Lease Line: 244 ft

26. Total Acres in Lease: 588

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 |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 20+0/0 | 16+0/0 | 0 | 0 | 80 | 50 | 80 | |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 2,033 | 650 | 2,033 | 0 |
| 1ST | 8+3/4 | 7+0/0 | 26 | 0 | 7,886 | 530 | 7,886 | 2,033 |
| 1ST LINER | 6+1/8 | 4+1/2 | 13.5 | 6886 | 11,899 | | | |

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

33. Comments This is the horizontal portion of the well from which we will produce. The cuttings will be taken by transport company and disposed of at a certified facility. i. Due to technical difficulties encountered with maintaining the required azimuth, inclination and depth control from the planned sidetrack out of the vertical pilot hole, current projections indicate that we will not be able to achieve the required and planned landing point position of the curve to start the lateral. We are requesting approval to plug back the current planned sidetrack and start a second unplanned sidetrack operation from a position in the original vertical pilot hole penetration.

34. Location ID: 430816

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: Justin Carlile

Title: Regulatory Specialist

Date: 4/4/2013

Email: justin.carlile@conocophillips.co

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: 6/21/2013

API NUMBER

05 005 07200 02

Permit Number: _____

Expiration Date: 6/20/2015

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.

- 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.
- 2) Comply with Rule 317.i and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) Comply with Rule 321. Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------|
| 400399735 | FORM 2 SUBMITTED |

Total Attach: 1 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | Final Review Completed. No LGD or public comment received. Unplanned sidetrack for 005-07200-01 Murphy Family 4-64-25 1H Form 4 doc # 2132172 | 6/21/2013 9:17:22 AM |
| Engineer | changed csg entries per JC | 5/7/2013 10:18:29 AM |
| Engineer | e-mail says same BHL - APD is different than scoutcard and no dir plan - how does HZ pass w/o it? | 5/3/2013 2:16:24 PM |
| Permit | Operator added location ID. This form has passed completeness. | 4/5/2013 2:47:26 PM |
| Permit | Returned to draft. Missing location ID | 4/5/2013 10:43:28 AM |

Total: 5 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|--|
| Site Specific | <p>ConocoPhillips Groundwater Monitoring Program</p> <p>ConocoPhillips has adopted the Colorado Oil and Gas Association (COGA) voluntary groundwater testing program to establish baseline groundwater quality conditions around new oil well locations in their leased area. The sampling program will allow the company (ConocoPhillips) to evaluate the groundwater conditions before drilling a well and also to monitor water quality afterward.</p> <p>The program will be in accordance with the guidance set forth in the Voluntary Baseline Groundwater Quality Sampling Program last updated on November 15, 2011. Under the sampling protocol, water samples would be collected from the two closest groundwater sources with reasonable access. The sample points, permitted or registered wells, would be located within ½ mile of the proposed well surface location.</p> <p>Sampling will be conducted based on the landowner granting access to the well location and agreeing to have the laboratory analytical results submitted to COGCC for posting to a database viewable by the public.</p> <p>Samples will be analyzed for the constituents listed in Table 1 of the Groundwater Sampling and Analytical Program.</p> |

Total: 1 comment(s)