

FORM

2

Rev
08/13

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:

400466833

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate

Date Received:

08/20/2013

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____Refilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: LINCOLN

Well Number: 1748-11-11-H

Name of Operator: ANADARKO E&P ONSHORE LLC

COGCC Operator Number: 2800

Address: PO BOX 173779

City: DENVER State: CO Zip: 80217

Contact Name: Kenny Trueax

Phone: (720)929-6383

Fax: ()

Email: kenny.trueax@anadarko.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030041

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 11 Twp: 17S Rng: 48W Meridian: 6

Latitude: 38.586836

Longitude: -102.765358

Footage at Surface: 600 feet FNL/FSL FSL 700 feet FEL/FWL FWL

Field Name: WILDCAT

Field Number: 99999

Ground Elevation: 4233

County: KIOWA

GPS Data:

Date of Measurement: 07/17/2013 PDOP Reading: 2.0 Instrument Operator's Name: Rob Wilson

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

 1457 FSL 703 FWL 800 FNL 700 FWL
 Sec: 11 Twp: 17S Rng: 48W Sec: 11 Twp: 17S Rng: 48W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ IndianThe Surface Owner is: ☐ is the mineral owner beneath the location.

(check all that apply)

☐ is committed to an Oil and Gas Lease.☐ has signed the Oil and Gas Lease.☐ is the applicant.The Mineral Owner beneath this Oil and Gas Location is: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place:

Surface Surety ID:

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

480 mineral acres in Sec. 11, T17N-R48W Kiowa County, CO owned by operator. All of S/2 and 40% of NW/4

Total Acres in Described Lease: 640 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 700 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 576 Feet

Above Ground Utility: 545 Feet

Railroad: 5280 Feet

Property Line: 600 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- 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, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: ☐ Buffer Zone
☐ Exception Zone
☐ Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 2640 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 5280 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| SPERGEN | SPGN | | | |

DRILLING PROGRAM

Proposed Total Measured Depth: 8717 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 136 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is 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 Operations Plan)

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? No

BOP Equipment Type: ☒ Annular Preventor ☒ Double Ram ☐ Rotating Head ☐ None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule N/A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: ONSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Surface spreading on well pad

Beneficial reuse or land application plan submitted?

Reuse Facility ID: or Document Number:

CASING PROGRAM

| 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 | | 500 | 0 |
| 2ND | 8+3/4 | 7 | 26 | 0 | 5659 | | 5659 | 0 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 5410 | 8717 | | | |

☒ Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- ☐ Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- ☐ Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- ☐ Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- ☐ Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318A.a. Exception Location (GWA Windows).
- ☐ Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

☐ Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number


OTHER LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318.c. Exception Location from Rule or Spacing Order Number
- ☐ Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

| | | | |
|--|-----------------------|--|-----------------------|
| Comments | | | |
| This application is in a Comprehensive Drilling Plan _____ | | CDP #: _____ | |
| Location ID: _____ | | | |
| Is this application being submitted with an Oil and Gas Location Assessment application? | | Yes _____ | |
| I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete. | | | |
| Signed: _____ | | Print Name: Kenneth Trueax _____ | |
| Title: Sr. Regulatory Analyst _____ | Date: 8/20/2013 _____ | Email: kenny.trueax@anadarko.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:  | | Director of COGCC | Date: 10/8/2013 _____ |
| <div style="border: 1px solid black; padding: 5px; width: fit-content;"> API NUMBER 05 061 06890 00 </div> | | Expiration Date: 10/07/2015 _____ | |

Conditions Of Approval

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.

COA Type

Description

| | |
|--|--|
| | 1) Provide 48 hr notice prior to spud via electronic Form 42. 2) Set surface casing at least 50' below Tertiary rocks (50' into Pierre Shale/Niobrara) for aquifer coverage, 500' - as proposed, whichever is deeper. 3) Stage cement from 1600' to 1050' (from 100' below base of Cheyenne-Dakota aquifer to 50' above it), -or- set at least 1600' of surface casing, cement to surface. 4) If production casing is set cement from TD to 200' above Morrow. Verify with CBL. 5) If well is a dry hole set the following plugs: 40 sks cement 50' above the Spergen, 40 sks cement 50' above the Morrow, 40 sks cement across any DST w/ show, 40 sx cement at 1600', 50 sks cement from 50' below to 50' above surface casing shoe, 15 sks cement in top of surface csg, cut 4 feet below GL, weld on plate, 5 sks cement in rat hole and mouse hole. |
|--|--|

Best Management Practices

No BMP/COA Type

Description

| | | |
|---|----------|---|
| 1 | Planning | The location is in a rural area with no occupied buildings within a mile of the well pad. The closest occupied dwelling is 1.3 miles away in the NWSW of Sec. 10 17S-48W to the West. |
|---|----------|---|

Total: 1 comment(s)

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|-------------------------|
| 1535334 | SURFACE CASING CHECK |
| 2518626 | SURFACE AGRMT/SURETY |
| 400466833 | FORM 2 SUBMITTED |
| 400469319 | PLAT |
| 400469344 | DEVIATED DRILLING PLAN |
| 400469698 | LEGAL/LEASE DESCRIPTION |
| 400469702 | OTHER |
| 400469703 | DIRECTIONAL DATA |
| 400469862 | DIRECTIONAL DATA |

Total Attach: 9 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|--------------------------|
| Permit | Requested signed SUA. Received and attached. Changed Right to Construct from Surface Bond to Surface Use Agreement. | 10/7/2013 6:08:35 AM |
| Permit | Final review completed; no LGD or public comment received. | 9/26/2013 8:59:40 AM |
| Permit | Distance to lease line is 700 feet and should not be tied to the surface location. | 8/23/2013 11:46:40 AM |
| Permit | Distance to another well penetrating the same formations happens to be a dry hole 136 feet from the wellbore. | 8/23/2013 11:45:17 AM |
| Permit | Right to construct is bond until surface use agreement is signed. | 8/23/2013 11:44:11 AM |
| Permit | Pass Completeness. | 8/21/2013 12:31:52 PM |

Total: 6 comment(s)