

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:

400476516

APPLICATION FOR PERMIT TO:

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

Date Received:

10/23/2013

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

Well Name: Wickstrom

Well Number: 6-4

Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC

COGCC Operator Number: 10112

Address: 16000 DALLAS PARKWAY #875

City: DALLAS State: TX

Zip: 75248-6607

Contact Name: Matt Stark

Phone: (303)8610504

Fax: (303)8610604

Email: mstark@foundationenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20050066

WELL LOCATION INFORMATION

QtrQtr: Lot 4 Sec: 6 Twp: 7N Rng: 59W Meridian: 6

Latitude: 40.609774

Longitude: -104.028382

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

Field Name: CROW

Field Number: 13600

Ground Elevation: 4957

County: WELD

GPS Data:

Date of Measurement: 10/11/2013 PDOP Reading: 1.4 Instrument Operator's Name: Owen McKee

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: _____

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: oil and gas lease

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.)

Township 7 North, Range 59 West, Section 6: Lot 3 (40.14), Lot 4 (41.98), Lot 5 (43.70), SENW (ada NW/4)

Total Acres in Described Lease: 166 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: 660 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: 656 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 644 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: 920 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary _____ 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.)
D SAND	DSND			

DRILLING PROGRAM

Proposed Total Measured Depth: 7100 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 920 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 609

DRILLING WASTE MANAGEMENT PROGRAM

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

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

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	8+5/8	24	0	600	275	600	0
1ST	7+7/8	5+1/2	15.5	0	7100	850	7100	0

☒ 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 318.a
- ☐ 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

Map of water wells showing none within 1/2 mile attached. Form 4 sundry notice for exception to water sampling to follow when API number has been assigned.

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: Matt Stark

Title: Petroleum Engineer Date: 10/23/2013 Email: mstark@foundationenergy.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: 12/3/2013

Expiration Date: 12/02/2015

API NUMBER

05 123 38576 00

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) If completed, provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) If dry hole: set 60 sks cement from 50' below D-Sand base to 50' above D-Sand top, set 40 sks cement 50' above Niobrara top, set 50 sks cement 1/2 out, 1/2 in surface casing, 15 sks cement from 50' to surface, cut 4' below ground level, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.
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Best Management Practices

No BMP/COA Type

Description

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Data retrieval failed for the subreport 'IntPolicy_NTO' located at: \\DorDonSterling\cFarmReports\policy_nto.rdl. Please

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2157346	EXCEPTION LOC REQUEST
400476516	FORM 2 SUBMITTED
400499752	EXCEPTION LOC WAIVERS
400499754	SURFACE AGRMT/SURETY
400499763	WELL LOCATION PLAT
400499771	HYDROLOGY MAP
400500707	OffsetWellEvaluations Data
400501202	OTHER
400502842	OIL & GAS LEASE

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed	12/2/2013 9:14:37 AM
Permit	Per oper. deleted lease attachment. Oper. submitted revised exc. loc. req. ltr.: corrected rule being cited on permit. Checked "609" for groundwater sampling. Deleted dist. to unit boundary.	11/27/2013 2:45:52 PM
Permit	Form passes completeness.	11/5/2013 3:25:02 PM
Permit	Plugging bond is incorrect, surface is covered with O&G Lease but using SUA; Access road map, Location Drawing, Location Photos, Access Road Photos, Reference Area photos and map attachments are for the 2A. Back to draft.	10/24/2013 1:34:05 PM

Total: 4 comment(s)