

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:

400513561

APPLICATION FOR PERMIT TO:

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

Date Received:

11/15/2013

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER Lateral HoleRefilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐Well Name: WatkinsWell Number: 30-5-8HName of Operator: BURLINGTON RESOURCES OIL & GAS LPCOGCC Operator Number: 26580Address: PO BOX 4289City: FARMINGTONState: NMZip: 87499Contact Name: Justin CarlilePhone: (281)647-1857Fax: (281)647-1935Email: justin.carlile@conocophillips.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 19920030

WELL LOCATION INFORMATION

QtrQtr: SWNW Sec: 30 Twp: 4S Rng: 64W Meridian: 6Latitude: 39.675472Longitude: -104.602253
 Footage at Surface: 2280 feet FNL/FSL FNL 350 feet FEL/FWL FWL
Field Name: WILDCATField Number: 99999Ground Elevation: 5765County: ARAPAHOE

GPS Data:

Date of Measurement: 09/30/2013 PDOP Reading: 2.3 Instrument Operator's Name: Loren ShanksIf well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 2300 FNL 930 FWL 2226 FNL 460 FEL FEL
 Sec: 30 Twp: 4S Rng: 64W Sec: 30 Twp: 4S Rng: 64W

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 ☐ IndianThe Minerals beneath this Oil and Gas Location will be developed by this Well: YesThe 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.)

Section 30, Township 4 South, Range 64 West: ALL

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: 460 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4520 Feet

Building Unit: 4585 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 338 Feet

Above Ground Utility: 2346 Feet

Railroad: 5280 Feet

Property Line: 350 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: 325 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 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.)
NIOBRARA	NBRR	535-447	640	S. 30:All

DRILLING PROGRAM

Proposed Total Measured Depth: 12158 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 969 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? Yes

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: ONSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Drilling cuttings will be taken by a certified transporter and disposed of at a certified disposal facility

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
CONDUCTOR	24+0/0	16+0/0	39.7	0	100	50	100	0
SURF	13+1/2	9+5/8	36	0	2060	580	2060	0
1ST	8+3/4	5+1/2	23	0	12158	1170	12158	1950

☐ 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	<p>Pilot hole will not be completed, it is only being drilled to help aide in the curve for the lateral hole. This permit is being submitted to add a lateral wellbore to a previously permitted well that has been made into a vertical pilot hole by sundry.</p> <p>Changes to this well are: Addition of the pilot hole to aid in the drilling of the lateral well. Casing design from a Three string design to a Two string design. Location of the well has not moved from the original well head location. Formation Target is still the Niobrara. MD: Is slightly shorter at 12158 ft.</p> <p>Increased density and spacing orders have been sent to the Commission Docket #1312-AW-84 Cause # 535.</p>
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This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 429810

Is this application being submitted with an Oil and Gas Location Assessment application? 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: 11/15/2013 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:  Director of COGCC Date: 1/22/2014

Expiration Date: 01/21/2016

<p>API NUMBER</p> <p>05 005 07189 01</p>

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
	<p>Note surface casing setting depth change from 2050' to 2060'. Increase cement coverage accordingly</p> <p>PILOT HOLE 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.</p> <p>FOR LATERAL 2) Comply with Rule 317.i and provide cement coverage from end of 7" casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.</p> <p>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.</p>
	<p>Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Form 5 for every well on the pad shall identify which well was logged.</p>

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400513561	FORM 2 SUBMITTED
400513817	WELL LOCATION PLAT
400513825	DEVIATED DRILLING PLAN
400513876	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Oper. corrected dist. to unit boundary and nearest well. Oper. submitted sundry to AL extra well in section, API 005-07193. Operator has been advised that if location is not built prior to 2A expiration, an amended 2A must be submitted and approved prior to building location. No LGD or public comments. Final Review--passed.	1/14/2014 3:16:06 PM
Permit	Oper. submitted sundry to change APD for -00 wellbore, pilot.	1/9/2014 11:21:33 AM
Permit	Advised oper. that form 4 to change BHL is required, not APD.	12/9/2013 7:18:47 AM
Permit	Operator added comments. Corrected qtr-qtr to SWNW. This form has passed completeness.	11/21/2013 1:41:37 PM
Permit	Returned to draft; Need statement in the operator comments detailing everthing that has changed since the last filing. Explanation should include any spacing changes if any.(Spacing order only allows 2 horizontals 920 feet apart.)	11/18/2013 1:31:02 PM

Total: 5 comment(s)