

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:  
400517952

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

Date Received:  
12/19/2013

TYPE OF WELL    OIL     GAS     COALBED     OTHER \_\_\_\_\_  
ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Refiling   
Sidetrack

Well Name: Copper      Well Number: 1  
Name of Operator: PRONGHORN OPERATING LLC      COGCC Operator Number: 10422  
Address: 8400 E PRENTICE AVENUE #1000  
City: GREENWOOD VILLAGE      State: CO      Zip: 80111  
Contact Name: Jake Flora      Phone: (720)988-5375      Fax: ( )  
Email: jakeflora@kfrcorp.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120060

WELL LOCATION INFORMATION

QtrQtr: NENW      Sec: 5      Twp: 14s      Rng: 44w      Meridian: 6  
Latitude: 38.867540      Longitude: -102.363120

Footage at Surface: 768 feet      FNL/FSL      FNL 1981 feet      FEL/FWL      FWL

Field Name: CHEYENNE WELLS      Field Number: 11050

Ground Elevation: 4256      County: CHEYENNE

GPS Data:  
Date of Measurement: 07/25/2013      PDOP Reading: 1.8      Instrument Operator's Name: Elijah Frane

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       Indian

The 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.)

ALL, 5, 14S, 44W, 6th PM

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: 768 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 3843 Feet

Building Unit: 4680 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 1981 Feet

Above Ground Utility: 1872 Feet

Railroad: 5280 Feet

Property Line: 768 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: 1032 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.)
MISSISSIPPIAN	MSSP			
SHAWNEE	SHWNE			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 5600 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 106 Feet (Including plugged wells)

Will a closed-loop drilling system be used? No

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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:     ONSITE          Drilling Fluids Disposal Methods:     Evaporation    

Cuttings Disposal:     ONSITE          Cuttings Disposal Method:     Drilling pit    

Other Disposal Description:

Beneficial reuse or land application plan submitted?     No    

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	17+1/2	13+3/8	48	0	400	375	400	0
1ST	12+1/4	8+5/8	24	0	1700	100	1700	800
2ND	7+7/8	5+1/2	15.5	0	5600	150	5600	4400
S.C. 2.1					2300	250	2300	1000

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 The proposed location falls closer than 1200 ft to the nearest offset wellbore and as such a Exception Request is being filed along with the Form 2 Permit to Drill.

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: Jake Flora

Title: Petroleum Engineer Date: 12/19/2013 Email: jakeflora@kfrcorp.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: 1/26/2014

Expiration Date: 01/25/2016

**API NUMBER**  
05 017 07781 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

	<p>1) Provide 48 hour notice prior to spud via electronic Form 42.</p> <p>2) If production casing is set provide cement coverage to at least 200' above the shallowest completed interval or Shawnee, whichever is shallower and stage cement Cheyenne/Dakota (2300'-1650' minimum). Run and submit CBL to verify cemented intervals.</p> <p>3) 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 +/- 50' above the Shawnee, 40 sks cement across any DST w/ show, 40 sks cement at 2300' up, 40 sks cement at 1650' up, 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.</p> <p>4) Monitor gas emissions during operations and comply with Reporting Hydrogen Sulfide (H2S) Notice to Operators and Rule 607.</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

### No BMP/COA Type

### Description

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## Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

## Attachment Check List

### Att Doc Num

### Name

2518842	H2S CONTINGENCY PLAN
400517952	FORM 2 SUBMITTED
400530081	SURFACE AGRMT/SURETY
400530082	MINERAL LEASE MAP
400530083	PLAT
400530084	EXCEPTION LOC REQUEST
400530089	WELL LOCATION PLAT

Total Attach: 7 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	1/15/2014 6:15:42 AM
Engineer	Received H2S contingency plan.	1/2/2014 4:53:12 PM
Permit	Operator is asking for an exception to 318a based upon the section is irregular. Section 5 is a 640 acre lease and therefore a waiver is not necessary since the encroaching well is in the same lease as the existing wells in the section.	1/2/2014 12:44:05 PM
Permit	Distance to building unit and building appears to be wrong. Building unit appears to be 4680' and building appears to 3843' feet away. Operator revised distances.	1/2/2014 12:13:40 PM
Engineer	Requested H2S contingency plan.	1/2/2014 11:28:54 AM
Permit	Passed completeness.	12/19/2013 1:13:50 PM

Total: 6 comment(s)