

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:

400537427

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER UnplannedRefilling ☐

Date Received:

01/09/2014

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☒Well Name: WIRKNER-VANCEWell Number: 29C-36HZXName of Operator: KERR-MCGEE OIL & GAS ONSHORE LPCOGCC Operator Number: 47120Address: P O BOX 173779City: DENVERState: COZip: 80217-3779Contact Name: Cheryl LightPhone: (720)929-6461Fax: (720)929-7461Email: cheryl.light@anadarko.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20010124

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 36 Twp: 3N Rng: 67W Meridian: 6Latitude: 40.175436Longitude: -104.845268
 Footage at Surface: 455 feet FNL/FSL FSL 849 feet FEL/FWL FWL
Field Name: WATTENBERGField Number: 90750Ground Elevation: 4822County: WELD

GPS Data:

Date of Measurement: 07/31/2013 PDOP Reading: 1.3 Instrument Operator's Name: BEN HARDENBERGHIf well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 747 FSL 979 FWL 460 FNL 1085 FWL 67W
 Sec: 36 Twp: 3N Rng: 67W Sec: 36 Twp: 3N Rng: 67W

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: 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.)

See attached lease description(s).

Total Acres in Described Lease: 320 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: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 928 Feet

Building Unit: 928 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 2074 Feet

Above Ground Utility: 250 Feet

Railroad: 5280 Feet

Property Line: 250 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: 79 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

Unit Configuration: 3N67W36: W/2

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		320	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 11875 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: _____ 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 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: _____ or Document Number: 149021

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	13+1/2	9+5/8	36	0	1161	440	1161	0
1ST	8+3/4	7+0/0	26	0	7765	820	7765	0
1ST LINER	6+1/8	4+1/2	11.6	6747	11875			

☒ 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>UNPLANNED SIDETRACK - VERBAL GIVEN BY DIANA BURN ON 01/07/2014 AT 7:18 PM</p> <p>The situation is we ran our 7" casing and cemented it in place at 7765' MD as planned. We started drilling the lateral and drilled to a depth of 7966' MD when we encountered drilling problems. At this point we pulled out of the hole and found that we backed off the motor at the adjustable housing and left the bit, bearing house, and the rotor in the hole. Fish length is ~30'. Due to the uncertainty of the rotors fishability, we are going to make one fishing attempt then look to cement the lateral into the 7" shoe and do a sidetrack off of the cement plug. I will detail below as much data as I have at this time. We are looking for the OK to proceed with a sidetrack if we are unable to recover the fish.</p> <p>Total depth of well 7966' reached, planned depth is 11919' 9 5/8" Surface casing set @ 1019' MD 7" intermediate casing set @ 7765' MD 7348' TVD Fish is bit, bearing house, and rotor Plug will be 350' length from 7966' MD to 7666' MD (inside 7" casing) Cement will be type H 17.5 # neat cement. More details to follow when I get cement results Attempt to start side track at 7770'. We will attempt to sidetrack up and to the right Objective formation will stay at the Codell, we will not change formation</p>
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This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 432052

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: CHERYL LIGHT

Title: SR. REGULATORY ANALYST Date: 1/9/2014 Email: DJREGULATORY@ANADARK

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: 1/26/2014

Expiration Date: 01/25/2016

<p>API NUMBER</p> <p>05 123 37886 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

Best Management Practices

No BMP/COA Type	Description

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.
Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1695997	WELL LOCATION PLAT
400537427	FORM 2 SUBMITTED
400537461	DIRECTIONAL DATA
400537464	DEVIATED DRILLING PLAN
400537467	WELLBORE DIAGRAM
400537562	CORRESPONDENCE

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	1/16/2014 2:32:06 PM
Permit	The BHL did move 100' East to 1085 FWL. Received and attached corrected Well Location Plat. ok to pass. Removed portion of Operator Comments that indicated no change in BHL.	1/13/2014 10:05:25 AM
Permit	This is a Sidetrack to 123-37886 Wirkner Vance 29C-36HZ. Checking on BHL.	1/13/2014 9:06:46 AM
Permit	This form has passed completeness.	1/13/2014 8:49:16 AM
Permit	Returned to draft for email attachment.	1/9/2014 4:26:41 PM

Total: 5 comment(s)