

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:

400627252

#### APPLICATION FOR PERMIT TO:

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

Date Received:

06/19/2014

TYPE OF WELL OIL ☐ GAS ☐ COALBED ☐ OTHER Injection

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: HRMU

Well Number: 11

Name of Operator: MID-CON ENERGY OPERATING LLC

COGCC Operator Number: 10142

Address: 2431 E 61ST ST STE 850

City: TULSA State: OK Zip: 74136

Contact Name: Ellen McElrath

Phone: (918)748-3378

Fax: (918)743-8839

Email: emcelrath@midcon-energy.com

#### RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20050131

#### WELL LOCATION INFORMATION

QtrQtr: NWNW Sec: 13 Twp: 13S Rng: 43W Meridian: 6

Latitude: 38.928050

Longitude: -102.181850

Footage at Surface: 600 feet FNL/FSL FNL 760 feet FEL/FWL FWL

Field Name: HARKER RANCH

Field Number: 33557

Ground Elevation: 4091

County: CHEYENNE

GPS Data:

Date of Measurement: 03/14/2014 PDOP Reading: 2.7 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.)

Sec 13-13S-43W N/2 NW/4 & Sec 1-13S-43W W/2 SE/4

Total Acres in Described Lease: 160 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: 600 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: 760 Feet

Above Ground Utility: 5280 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: 1840 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 760 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

## SPACING & FORMATIONS COMMENTS

13S, 43W, S/2 Sec 1, All Section 12, N/2 Section 13 per Order 477-4

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
MORROW	MRRW	477-4	1280	see comments

## DRILLING PROGRAM

Proposed Total Measured Depth: 5450 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 590 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 609

## 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?

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	400	275	400	0
1ST	7+7/8	5+1/2	15.5	0	5450	575	5450	1500

☒ 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: Ellen McElrath

Title: Production Engineer Date: 6/19/2014 Email: emcelrath@midcon-energy.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: 7/30/2014  
Expiration Date: 07/29/2016

**API NUMBER**

05 017 07793 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

	Operator shall possess an approved form 33 before well can be completed as an injection well.
	1) Provide 48 hour notice prior to spud via Form 42. 2) If production casing is set provide cement coverage from TD to at least 200' above Morrow and across Cheyenne/Dakota (2400' – 1800'). Verify with CBL. 3) If well is a dry hole set the following plugs: 40 sks cement +/- 50' above the Morrow, 40 sks cement across any DST w/ show, 40 sks cement at 2400', 40 sks cement at 1800', 50 sks cement from 50' below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.
	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 Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.

### 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

<u>Att Doc Num</u>	<u>Name</u>
2519197	SURFACE AGRMT/SURETY
400627252	FORM 2 SUBMITTED
400627253	WELL LOCATION PLAT
400627254	TOPO MAP
400627256	30 DAY NOTICE LETTER
400629667	OTHER

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.	7/30/2014 6:33:57 AM
Permit	Form 33 received 6/22/2014 #2362887 Not approved yet	7/30/2014 6:30:09 AM
Permit	Attached Revised SUA.	7/1/2014 11:35:47 AM
Permit	Requested SUA with dollar amounts removed.	6/27/2014 2:26:10 PM
Permit	Unit agreement grants working interest owners the right to inject. Grant of easements grants working interest owners the right to use as much of the surface of the land as reasonably necessary. SUA attached is dated 5/10/2014 and its wording is in conflict with Unit Operating agreement. Requested clarification. Operator stated that wording used in SUA (oil and gas operations) did not limit flexibility of operational changes and the surface owner was on board. This well falls within the Harker Ranch Unit.	6/25/2014 7:32:33 AM
Permit	This well is checked to be injection well. No information provided about the form 31 and 33. The SUA states the well will be an oil and gas well. SUA must state the well's purpose is to be an injection well.	6/24/2014 12:18:58 PM
Permit	Passed completeness. All corrections made.	6/23/2014 11:06:00 AM
Permit	Return to draft: 1. Marked that surface owner is committed to an oil and gas lease, but right to construct is selected as SUA. 2. Distance from completed portion to nearest lease line of described lease is blank. 3. Water well sampling rule is blank	6/20/2014 2:43:09 PM

Total: 8 comment(s)