

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:

400708317

## APPLICATION FOR PERMIT TO:

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

Date Received:

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER Lateral HoleRefilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐Well Name: Beaver 5-65 34-35Well Number: 2HName of Operator: CONOCO PHILLIPS COMPANYCOGCC Operator Number: 19160Address: P O BOX 2197City: HOUSTONState: TXZip: 77252-2197Contact Name: Justin CarlilePhone: (281)206-5770Fax: (281)647-1935Email: Justin.Carlile@conocophillips.com

## RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100227

## WELL LOCATION INFORMATION

QtrQtr: SWNE Sec: 35 Twp: 5S Rng: 65W Meridian: 6Latitude: 39.576600Longitude: -104.631350
 Footage at Surface: 1373 feet FNL/FSL FNL 2278 feet FEL/FWL FEL
Field Name: WILDCATField Number: 99999Ground Elevation: 6087County: ARAPAHOE

GPS Data:

Date of Measurement: 06/30/2014 PDOP Reading: 1.2 Instrument Operator's Name: Dallas NielsenIf well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 1261 FNL 2175 FWL 1260 FNL 525 FWL 1260  
 Sec: 35 Twp: 5S Rng: 65W Sec: 34 Twp: 5S Rng: 65W

## LOCATION SURFACE &amp; MINERALS &amp; 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.)

See Attached

Total Acres in Described Lease: 21037 Described Mineral Lease is: ☐ Fee ☒ State ☐ Federal ☐ Indian  
Federal or State Lease # 1960.12  
Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 600 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4643 Feet  
Building Unit: 4730 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 3880 Feet  
Above Ground Utility: 3939 Feet  
Railroad: 5280 Feet  
Property Line: 1373 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: 13841 Feet  
Distance from Completed Portion of Wellbore to Nearest Unit Boundary 600 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			

## DRILLING PROGRAM

Proposed Total Measured Depth: 15370 Feet  
Distance to nearest permitted or existing wellbore penetrating objective formation: 653 Feet (Including plugged wells)  
Will a closed-loop drilling system be used? Yes  
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? 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: OFFSITE 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 transport company 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	2521	780	2521	0
1ST	8+3/4	5+1/2	23	0	15370	1840	15370	2521

☐ 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: Justin Carlile

Title: Regulatory Specialist Date: \_\_\_\_\_ Email: Justin.Carlile@conocophillips.c

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: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

API NUMBER

05

### 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.

### Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	<p>a. Preferred Option: It is the intent of the County that operators utilize closed-loop or modified closed-loop systems for drilling and completion operations in order to minimize or eliminate the need for earthen pits; however, notwithstanding the foregoing, where appropriate, and subject to prior County approval, the County generally supports: 1) the use of unlined drilling pits when bentonite or a similar clay additive is used during the drilling process, and 2) the use of lined single- or multi-well water storage pits in order to minimize the transport of water and promote recycling, subject to the requirements set forth in this subsection. Permitted modified closed-loop systems include oil and gas wells where air or fresh water is used to drill through the surface casing interval, defined as fifty (50) feet below the depth of the deepest aquifer, and a closed loop system is used for the remainder of the drilling and/or completion or recompletion procedures. Multi-well pits are defined as lined, engineered pits, constructed over an engineered base, with construction or liner specifications meeting or exceeding Commission pit lining rules, that will serve the functions of drilling, completion, and/or flowback pits for more than one well.</p> <p>b. Water Storage Pits to Contain Fresh Water or Brine Water: Water stored in pits approved by the County and allowed under Commission Rules, must meet the definition of fresh water or brine water, except for water stored in pits listed in 2c below. Fresh water is defined as containing total dissolved solids (TDS) less than or equal to 5,000 milligrams/liter (mg/l). Brine water is defined as water produced from an oil and/or gas well with TDS of greater than 5,000 mg/l. The Operator is required to remove all free and visible oil within 24 hours of discovery. Upon closure of the pit, the Operator will ensure the protection of the public health and environment by following all Commission pit closure rules, including collecting analytical data to ensure compliance with state standards. As long as the pit is open and containing fluid, a representative water sample shall be taken every six months from the surface of the pit fluids, the first sample to be taken within 6 months of the pit becoming operational.</p>

Water quality data will also include an analysis of Sodium Adsorption Ratio (SAR). The County will review water quality data provided by the Operator every six (6) months. TDS, pH, and specific conductance can be measured with a field meter. TEPH (total extractable petroleum hydrocarbons), BTEX (Benzene, Toluene, Ethylbenzene, and Xylenes), and SAR will be analyzed by an accredited laboratory. If the presence of TEPH and/or BTEX is indicated after County review and/or inspection, other water quality analyses may be required by the County.

c. Additional Pits that Require County Review and Approval: Skimming, settling, percolation, evaporation, and any type of netted pits are generally discouraged by the County; however such pits may be approved on a case-by-case basis through the Use by Special Review ("USR") process. A copy of the Pit Plan submitted to the Commission will be provided to the County at the same time as the plans are submitted to the Commission. Construction of these pits will be preceded by collection of "baseline" soil samples from the center of the planned pit at 6 and 18 inches depth. Soil samples will be analyzed for pH, Sodium Adsorption Ratio (SAR), and Electrical Conductivity (EC). The Operator shall stake and photograph from the center of the planned pit (toward north, south, east, and west directions) for inclusion in the County's copy of the Pit Plan. Upon closure of these pits, pH, SAR, EC, BTEX (Benzene, Toluene, Ethylbenzene, and Xylenes), and TEPH (total extractable petroleum hydrocarbons) analyses may be required if there is evidence of leaks or spills in the immediate area of the pits.

d. Pits That Do Not Require County Approval: Flare, Emergency, Plugging, and Workover pits will not require county review or approval prior to construction (unless within 1/4 mile of a residence as set forth below); however, the County will be copied on the notification(s) sent to the Commission and any pit plans, remediation plans, or analytical results submitted to the Commission.

e. Pit Setbacks: All pit construction within ¼ mile of a residence or water well is generally discouraged by the County and may have additional County requirements, such as fencing. Such pits will be reviewed on a case-by-case basis by the County.

f. Multi-Well Pits: In addition to any requirements stated above, multi-well pits will be lined per the Commission's lining standards. If a multi-well pit is planned for use over a 2-year or greater period, the pit will be double-lined with leak detection. Fluids stored in multi-well pits will be circulated through a four-phase separator or an API-approved settling tank or similar equipment prior to such fluids entering the pit, specifically designed to remove solids and reduce hydrocarbon content and emissions. Retention time in a settling tank and the volume of the tank must be sufficient to separate out any floating, dissolved, or emulsified hydrocarbon phases. Lined multi-well pits may be inspected and/or reviewed on an as-needed basis, over the life of the pit, to determine if the water to be stored in the pit or already stored in the pit meets the definition of fresh water or brine water. Upon closure of the pit, the Operator will ensure the protection of the public health and environment by following all Commission pit closure rules, including collecting analytical data to ensure compliance with state standards. As long as the pit is open and containing fluid, a representative water sample shall be taken from the surface of the pit every six months. Additional requirements, such as fencing, may be required by the County, pre- or post-construction, if such a pit is determined by the County to be adversely impacting residences, water wells, or wildlife habitats and migrations.

g. Technological Advances: The County may require additional measures, if new technological methods for pit construction or maintenance are developed pre- or post-construction and such methods are technologically sound, economically practical, and reasonably available to the Operator.

3. Berms. Berms shall be inspected by Operator on a weekly basis for evidence of discharge. Berms shall be inspected within 48 hours of a precipitation event.

4. Regular Meetings to Monitor and Discuss MOU Issues. The County and Operator agree to meet quarterly or as necessary, to monitor and discuss any pertinent issues associated with oil and gas facilities within the County.

		<p>5. Water Supply and Quality. In an effort to reduce truck traffic, where feasible, the Operator will identify a water source lawfully available for industrial use, including oil and gas development, close to the facility location, to be utilized by Operator and its suppliers. Operator will comply with the Colorado Department of Public Health and Environment requirements concerning water quality. Where feasible, temporary surface water lines are encouraged and will be utilized. Operator may be permitted to utilize County Road Right-of-Way, and County drainage culverts, where practical, for the laying and operation of temporary water li</p>
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Total: 1 comment(s)

### **Attachment Check List**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
400708328	OffsetWellEvaluations Data
400708329	DEVIATED DRILLING PLAN
400708330	LEGAL/LEASE DESCRIPTION
400708332	WELL LOCATION PLAT
400708334	DIRECTIONAL DATA

Total Attach: 5 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>

Total: 0 comment(s)