



## 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.)

There is no lease because there are no minerals applicable to the wellbore.

Total Acres in Described Lease: \_\_\_\_\_ 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: \_\_\_\_\_ Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 3360 Feet

Building Unit: 3599 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 403 Feet

Above Ground Utility: 376 Feet

Railroad: 5280 Feet

Property Line: 415 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: 5280 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.)
ADMIRE	ADMI			
AMAZON	AMZN			
ATOKA	ATOK			
COUNCIL GROVE	COUGR			
DES MOINES	DSMS			
FOUNTAIN	FNTN			
LOWER SATANKA	LSTKA			
LYONS	LYNS			
MISSISSIPPIAN	MSSP			
MISSOURI	MSSR			
MORROW	MRRW			
VIRGIL	VRGL			
WOLFCAMP	WFCMP			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 10200 Feet  
 Distance to nearest permitted or existing wellbore penetrating objective formation: 5280 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 609

**DRILLING WASTE MANAGEMENT PROGRAM**

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal  
 Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal  
 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	12+1/4	9+5/8	36	0	860	239	860	0
1ST	8+3/4	7	26	0	8462	165	8462	7002
1ST LINER	6+1/8	4+1/2	11.6	8372	10200			
	8+3/4	7	Stage Tool		7002	731	7002	0

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 A SUA is attached as well as the 305 Certification Letter. Forms 31 & 33 and all attachments will be delivered to COGCC today.

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: Paul Gottlob

Title: Regulatory & Engin. Tech. Date: 10/23/2014 Email: paul.gottlob@iptenergyservices

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: 12/6/2014

Expiration Date: 12/05/2016

<b>API NUMBER</b>
05 123 40771 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

	<ol style="list-style-type: none"><li>1. Daily drilling reports are required.</li><li>2. For all new drill Underground Injection Control wells a suite of open-hole Resistivity/Gamma Ray and Density/Neutron logs are required from Surface Casing shoe to TD. Both PDF visual images and LAS file versions of the logs are required.</li><li>3. For all new and converted Underground Injection Control wells a Cement Bond Log (CBL) is required on the cased portions of the hole from the bottom of the casing to the top of the next shallower casing string for all casing strings other than the Surface Casing. Only a PDF visual image is required.</li><li>4. A Mudlog is required containing at least the following information:<ol style="list-style-type: none"><li>a) Rate of Penetration Log, and</li><li>b) The location of any drilling breaks or zones of lost circulation</li></ol></li><li>5. A static water level taken after perforation in cased wells and prior to any stimulation in either cased or open-hole wells.</li><li>6. Prior approval of Form 4 Sundry Notice is required for Step Rate and Injectivity Tests.</li><li>7. Retrieve water sample(s) from injection zone(s) before stimulating formation, Step Rate Test, or Injectivity Test.</li><li>8. A Transient Injectivity Test is required to determine the Maximum Daily Injection Rate in barrels per day (bbbls/day).</li><li>9. A Transient Injectivity Test or a Step Rate Test is required to determine the Maximum Injection Pressure in pounds per square inch (psi).</li><li>10. Injection is not authorized until approval of Forms 31 and 33.</li><li>11. Operator must pick all formation tops from surface to TD.</li></ol>
	<ol style="list-style-type: none"><li>1) Note surface casing setting depth change from 850' to 860'. Increase cement coverage accordingly.</li><li>2) Submit Form 42 electronically to COGCC 48 hours prior to MIRU.</li><li>3) Provide cement coverage from the bottom of the 7" casing to a minimum of 50' above surface casing shoe. Verify coverage with cement bond log. See casing design.</li></ol>

## Best Management Practices

<b>No</b>	<b>BMP/COA Type</b>	<b>Description</b>
1	Noise mitigation	If determined necessary, lighting abatement measures shall be implemented, including the installation of lighting shield devices on all of the more conspicuous lights, low density sodium lighting where practicable; and rig shrouding is not believed necessary as this is Rangeland area and the nearest building unit is 3599' away, however, at its election the operator may install temporary engineering controls consisting of perimeter sound walls during drilling and completion activities to provide noise relief. Permanent equipment on location shall be muffled to reduce noise, or shall be appropriately buffered.
2	Drilling/Completion Operations	Green Completions – No hydrocarbons anticipated – NA.
3	Drilling/Completion Operations	Blowout preventer equipment (“BOPE”). A double ram and annular preventer will be used during drilling. At least the drilling company shall have a valid well blowout prevention certification. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.
4	Drilling/Completion Operations	Drill stem tests. Not applicable; no Drill Stem tests are planned.
5	Drilling/Completion Operations	Well will be logged with an open hole logging tool with gamma ray. A CBL will be run on all production casing or, in the case of a production liner, the intermediate casing, when these casing strings are run.
6	Drilling/Completion Operations	Control of fire hazards. All materials which are considered fire hazards shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API RP 500 and will comply with the current national electrical code. An emergency response plan has been generated for this site. No CBL over slotted liner completion.
7	Drilling/Completion Operations	Guy line anchors. All guy line anchors shall be brightly marked pursuant to Rule 604.c (2)Q.
8	Drilling/Completion Operations	Logging – A resistivity log, run from the bottom of the surface casing to total depth of the disposal well or wells or any well within one (1) mile together with a log from that well that can be correlated with the injection well. If the disposal well is to be drilled, a description of the typical stratigraphic level of the disposal formation in the disposal well or wells, and any other available logging or testing data, on the disposal well or wells will be supplied.
9	Final Reclamation	Well site cleared. Within 90-day subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site. Plugged and abandoned wells will be identified. P&A'd wells shall be identified pursuant to 319.a.(5).
10	Underground Injection Control	Formation Water, Mechanical Integrity, & Step Rate Tests will be done prior to approval to inject.

Total: 10 comment(s)

### Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

### Attachment Check List

<b>Att Doc Num</b>	<b>Name</b>
400713284	FORM 2 SUBMITTED
400713376	WELL LOCATION PLAT
400713568	OffsetWellEvaluations Data
400714829	SURFACE AGRMT/SURETY
400714840	OTHER

Total Attach: 5 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	12/3/2014 3:36:03 PM
Permit	Permitting Review Completed.	11/10/2014 11:28:31 AM
Permit	Passed Completeness	10/27/2014 1:12:26 PM

Total: 3 comment(s)