

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____	Refiling <input type="checkbox"/>
ZONE TYPE SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Sidetrack <input type="checkbox"/>

Date Received:
12/30/2014

Well Name: SOUTHERN UTE Well Number: 701H

Name of Operator: BURLINGTON RESOURCES OIL & GAS LP COGCC Operator Number: 26580

Address: PO BOX 4289

City: FARMINGTON State: NM Zip: 87499

Contact Name: Patsy Clugston Phone: (505)326-9518 Fax: (505)599-4062

Email: Patsy.L.Clugston@conocophillips.com

RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 19920030

WELL LOCATION INFORMATION

QtrQtr: NWNE Sec: 22 Twp: 32N Rng: 7W Meridian: N

Latitude: 37.009159 Longitude: -107.591787

Footage at Surface: <u>211</u> feet	FNL/FSL	FEL/FWL
<u>FNL</u> <u>1404</u> feet	<u>FEL</u>	

Field Name: IGNACIO BLANCO Field Number: 38300

Ground Elevation: 6295 County: LA PLATA

GPS Data:
Date of Measurement: 03/20/2012 PDOP Reading: 1.9 Instrument Operator's Name: JOHN A. VUKONICH

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
<u>753</u> <u>FSL</u> <u>702</u> <u>FWL</u>	<u>1930</u> <u>FSL</u> <u>710</u> <u>FEL</u>				
Sec: <u>14</u> Twp: <u>32N</u> Rng: <u>7W</u>	Sec: <u>14</u> Twp: <u>32N</u> Rng: <u>7W</u>				

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: 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: 1847 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # 14-20-151-6

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2950 Feet

Building Unit: 3062 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 3870 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 211 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: 1000 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 0 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.)
FRUITLAND COAL	FRLDC	112-197	320	

DRILLING PROGRAM

Proposed Total Measured Depth: 8421 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1000 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 N/A

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:

Plans are to use a closed loop system for drilling and completion fluids and cuttings. Will recycle any good drilling fluids to the next well and then will dispose of any spent drilling fluids and cuttings to a commercial facility in New Mexico

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	32.3	0	500	253	500	0
2ND	8+3/4	7	23.0	0	2931	951	2931	0
1ST LINER	6+1/4	4+1/2	11.6	2831	8422	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 Volume of cement is shown in cubic feet instead of sx. The surface location is all on Southern Ute lands, therefore there won't be a Form 2A submitted with this Form 2 since we will be getting the surface approvals from the BLM and the Southern Ute Indian Tribe.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: _____

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: Patsy Clugston _____

Title: Staff Regulatory Tech Date: 12/30/2014 Email: Patsy.L.Clugston@conocophilli

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: 5/17/2015

Expiration Date: 05/16/2017

API NUMBER

05 067 09933 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

	No COA's: Ute minerals and Ute surface ownership (BLM jurisdiction)
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Best Management Practices

No BMP/COA Type

Description

1	Pre-Construction	Will make road improvements from 5182' back to the 705H well. Will rock line ditches around corners and slopes; will instll 2 - 24" X 30' culverts; waddles will be used to help avoid erosion around fill slopes and top soil piles. Have a Road Maintenance Plan for the access road (attached)
2	Wildlife	The tribes wildlife biologist was consulted in the staking process.

Total: 2 comment(s)

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400712745	FORM 2 SUBMITTED
400761575	WELL LOCATION PLAT
400761577	LEASE MAP
400761579	LOCATION PICTURES
400761580	DEVIATED DRILLING PLAN
400761583	DEVIATED DRILLING PLAN
400761584	DRILLING PLAN
400761588	OTHER
400761590	OTHER
400773547	DIRECTIONAL DATA

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	5/12/2015 7:57:18 AM
Permit	Per operator, "well should be considered a South Half Section 14-T32N-R7W Drillblock pursuant to 112-197." Confirmed with operator that they are not planning to respace the section to a 640 acre.	5/12/2015 7:43:24 AM
Permit	It appears that the operator is planning to respace the section to a 640 acre. Currently 112-197 (320 acre S/2) governs size and configuration of the unit. Placed on hold until operator proceeds with respacing.	1/22/2015 6:10:05 AM
Permit	COGCC built the directional data template.	1/16/2015 11:53:09 AM
Permit	Passed completeness.	12/31/2014 11:27:44 AM

Total: 5 comment(s)