

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:

400720261

APPLICATION FOR PERMIT TO:

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

Date Received:

11/21/2014

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____Refiling ☒ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: TPR

Well Number: 143-36

Name of Operator: BLACK DIAMOND MINERALS LLC

COGCC Operator Number: 10244

Address: 1301 MCKINNEY ST STE 2100

City: HOUSTON State: TX Zip: 77010

Contact Name: Ame McKenney

Phone: (970)203-4713

Fax: (713)588-8301

Email: amckenney@progressivepcs.net

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20140077

WELL LOCATION INFORMATION

QtrQtr: SWNE Sec: 36 Twp: 7S Rng: 94W Meridian: 6

Latitude: 39.394942

Longitude: -107.831953

Footage at Surface: 2831 feet FNL/FSL FNL 1693 feet FEL/FWL FEL

Field Name: WILDCAT

Field Number: 99999

Ground Elevation: 9354

County: GARFIELD

GPS Data:

Date of Measurement: 10/31/2013 PDOP Reading: 2.0 Instrument Operator's Name: Robert Kay

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

 2271 FSL 383 FEL 2271 FSL 383 FEL
 Sec: 36 Twp: 7S Rng: 94W Sec: 36 Twp: 7S Rng: 94W

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 ☐ 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: applicant is owner

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.)

Please see attached Mineral Lease Map.

Total Acres in Described Lease: 1664 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: 1127 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: 5280 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 1639 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: 3462 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 406 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.)
WILLIAMS FORK	WMFK	139-90		

DRILLING PROGRAM

Proposed Total Measured Depth: 11495 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 3462 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: ONSITE Drilling Fluids Disposal Methods: Land application

Cuttings Disposal: ONSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

If cuttings meet Table 910-1 standards, they will be treated as soil, stockpiled on location and beneficially re-used on location or at another location as approved by COGCC Sundry Form 4. Any excess cuttings will be transported to an authorized waste fa

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
CONDUCTOR	24	18	32	0	120	13	120	0
SURF	14+3/4	9+5/8	36	0	2000	215	2000	0
1ST	7+7/8	4+1/2	11.6	2200	11495	990	11495	2200

☐ 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 deleted 04/02/2015 Black Diamond Minerals, LLC intends to permit the subject Williams Fork well. The distance from the completed portion of the wellbore to the nearest lease line was measured from the lease line in the Sec 36, T7S, R94W, south of the proposed bottom hole location. The distance from the completed portion of the wellbore to the nearest wellbore permitted or completed in the same formation was measured to the permitted TPR 112-16 (API #: 045-22155). Please note, conductor casing has been set on this well and BDM is submitting a refile permit to drill to TD since this permit has expired.

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

Location ID: 334460

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: Ame McKenney

Title: Permit Representative Date: 11/21/2014 Email: amckenney@progressivepcs.n

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

05 045 16950 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

	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.
	1) Within 7 days of receipt of this approved form, Operator shall contact COGCC Reclamation Supervisor for site reclamation status verification.
	1)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice. 2)Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: all field notice requirements specified in this notice to operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see condition of approval #1). See attached notice. 3)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesa Verde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>

Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400720261	FORM 2 SUBMITTED
400738321	MINERAL LEASE MAP
400738323	WELL LOCATION PLAT

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Form is being withdrawn at opr request.	3/2/2015 9:05:08 AM
Permit	E-mailed opr stating issues with the form. Requested problems be resolve by March 16th or withdraw form. Opr responded regarding the Cuttings disposal. I added a statement in commets as per opr and checked that disposal would be beneficial reuse as per opr. Pllugging bond is still an issue. TD is still different from Directional survey. There is also a form 4 Doc 400600254 on hold.	2/25/2015 10:25:38 AM
Permit	Form needs a plugging bond. None shown in our data base. Checking on spacing order, deviated drilling plan (old one has no front or side view and has a MTD of 11511). Opr notified and form put on hold.	1/13/2015 2:29:33 PM
Engineer	Offset water well check: There are no permitted water wells within 1 mile of this proposed surface hole location. There are no existing offset wells within 1,500 feet of this wellbore. Emailed operator requesting sacks of cement planned for casing strings. Operator provided cement quantities on 1/8/15.	12/2/2014 8:39:44 AM
Permit	Checked no offset well within 1500'. Entered water well sampling rule 609. Added Location ID. Passed completeness.	11/25/2014 8:06:17 AM

Total: 5 comment(s)