

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:

400831694

(SUBMITTED)

Date Received:

07/28/2015

APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: Wells Ranch

Well Number: AA22-636

Name of Operator: NOBLE ENERGY INC

COGCC Operator Number: 100322

Address: 1625 BROADWAY STE 2200

City: DENVER

State: CO

Zip: 80202

Contact Name: Andrea Rawson

Phone: (303)228-4253

Fax: (303)228-4286

Email: andrea.rawson@nbleenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030009

WELL LOCATION INFORMATION

QtrQtr: NWSW Sec: 22 Twp: 6N Rng: 63W Meridian: 6

Latitude: 40.471220

Longitude: -104.431900

Footage at Surface: 2315 feet FNL/FSL FSL 125 feet FEL/FWL FWL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4757

County: WELD

GPS Data:

Date of Measurement: 11/25/2014 PDOP Reading: 2.0 Instrument Operator's Name: Adam Beauprez

If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FSL 1715 FSL 751 FWL 1713 FSL 235 FWL
Sec: 22 Twp: 6N Rng: 63W Sec: 23 Twp: 6N Rng: 63W

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.)

T6N-R63W Sec 22: W/2SW/4

Total Acres in Described Lease: 80 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: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2611 Feet
Building Unit: 3113 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 2943 Feet
Above Ground Utility: 2932 Feet
Railroad: 5280 Feet
Property Line: 125 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: 191 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 751 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

Unit Configuration = T6N-R63W Sec 22: S/2 Sec 23: W/2SW/4

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 | | 400 | GWA |

DRILLING PROGRAM

Proposed Total Measured Depth: 11704 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 191 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 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: _____ or Document Number: 2614238

CASING PROGRAM

| Casing Type | Size of Hole | Size of Casing | Wt/Ft | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 26 | 16 | 0 | 0 | 80 | 6 | 80 | 0 |
| SURF | 13+3/4 | 9+5/8 | 36 | 0 | 600 | 237 | 600 | 0 |
| 1ST | 8+3/4 | 7 | 26 | 0 | 6994 | 580 | 6994 | |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 6844 | 11704 | | | |

☐ 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 First string top of cement = 200' above the Niobrara formation. The production liner will be hung off inside of the 7" casing string. 3 Well Pad includes Wells Ranch AA22-650, Wells Ranch AA22-645, and Wells Ranch AA22-636. Noble Energy shall isolate the Upper Pierre Aquifer from the Fox Hills Aquifer with surface casing and cement and utilize intermediate casing and cement to ensure isolation from below. Nearest Well in same formation and off-set operator: Wells Ranch 23-22 (PDC) 123-27318 NESW 22 6N 63W, calculated from footages.

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: Andrea Rawson

Title: Regulatory Analyst I Date: 7/28/2015 Email: Regulatorynotification@noble

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 | General Housekeeping | <p>GENERAL HOUSEKEEPING: Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup is required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each work day. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pickup trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.</p> |
| 2 | Storm Water/Erosion Control | <p>STORM WATER/EROSION CONTROL: Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE) General Permit No. COR-038637. BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.</p> |
| 3 | Material Handling and Spill Prevention | <p>Spill prevention Control and Countermeasures (SPCC) plans are in place to address any possible spill associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR 112.</p> |
| 4 | Drilling/Completion Operations | <p>If a skid is performed for the subject well, then the only required BOPE tests are for the BOPE connection bonnet seal breaks, as long as a full BOPE test was performed at the beginning of the pad, and as long as all necessary BOPE tests are completed at least every 30 days during the pad operations. If a skid is performed for the subject well, then the only required BOPE tests are for the BOPE connection bonnet seal breaks, as long as a full BOPE test was performed at the beginning of the pad, and as long as all necessary BOPE tests are completed at least every 30 days during the pad operations.</p> |
| 5 | Drilling/Completion Operations | <p>One of the first wells drilled on the pad will be logged with Cased hole Pulsed Neutron Log with Gamma Ray Log from TD into the surface casing. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The horizontal portion of every well will be logged with a measured while-drilling gamma-ray log. The Form 5, Completion Report, for each well on the pad will list all logs run in that well and have those logs attached. The Form 5 for each well shall clearly state "No open-hole logs were run" and shall reference the Rule 317.p Exception granted for the well.</p> |

Total: 5 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> |
|--------------------|-----------------------------|
| 400831694 | FORM 2 SUBMITTED |
| 400871711 | DEVIATED DRILLING PLAN |
| 400871712 | SURFACE AGRMT/SURETY |
| 400871715 | PROPOSED SPACING UNIT |
| 400871716 | DIRECTIONAL DATA |
| 400871717 | OffsetWellEvaluations Data |
| 400872377 | EXCEPTION LOC WAIVERS |
| 400872379 | EXCEPTION LOC WAIVERS |
| 400880057 | WELL LOCATION PLAT |
| 400883888 | EXCEPTION LOC REQUEST |
| 400884116 | OPEN HOLE LOGGING EXCEPTION |
| 400884486 | EXCEPTION LOC REQUEST |

Total Attach: 12 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|-------------------------|
| Permit | Questions regarding the Surface Owner on the 'Surface and Minerals' tab are still incomplete. If "has signed the Oil and Gas Lease" is selected then "is committed to an Oil and Gas Lease" must also be selected. Return to draft. | 8/17/2015 2:28:55 PM |
| Permit | Questions regarding the Surface Owner on the 'Surface and Minerals' tab are incomplete. Exception Location request does not meet COGCC guidance. Exception Location Request for Rule 603.a.(2) must be separate from Rule 318A Proposed Spacing Unit (PSU) does not meet COGCC guidance. | 8/12/2015 7:54:05 AM |
| Permit | Returned to draft. 1.) If "has signed the Oil and Gas Lease" than "is committed to an Oil and Gas Lease" must also be selected. 2.) Well Location Plat does not show the top of the production interval. 3.) Document number should be included with the well name on the Open Hole Logging Exception attachment. 4.) Exception Location Request attachment has the distance from a property line listed as 150 inches rather than 150 feet, and the reason for the request should be stated in the Exception Location Request attachment. 5.) In the Exceptions tab Rule 603.a.(2) is not selected. | 8/3/2015 7:33:32 AM |

Total: 3 comment(s)