

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:
400779996

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received:
09/04/2015

TYPE OF WELL OIL GAS COALBED OTHER _____
ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refiling
Sidetrack

Well Name: Hamill Well Number: 19-16HA
Name of Operator: GRMR OIL & GAS LLC COGCC Operator Number: 10524
Address: 370 INTERLOCKEN BLVD SUITE 550
City: BROOMFIELD State: CO Zip: 80021
Contact Name: Terry L. Hoffman Phone: (720)542-8287 Fax: ()
Email: terry@rockymountainpermitting.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20140073

WELL LOCATION INFORMATION

QtrQtr: SESE Sec: 19 Twp: 5N Rng: 90W Meridian: 6
Latitude: 40.364194 Longitude: -107.529500

Footage at Surface: 152 feet FNL/FSL FEL/FWL
FSL 247 feet FEL

Field Name: WILDCAT Field Number: 99999
Ground Elevation: 6455 County: MOFFAT

GPS Data:
Date of Measurement: 10/03/2014 PDOP Reading: 1.4 Instrument Operator's Name: Glenn McElroy

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
861 FNL 1081 FEL 2616 FNL 2460 FWL
Sec: 30 Twp: 5N Rng: 90W Sec: 30 Twp: 5N Rng: 90W

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.)

T5N R90W: Sec. 19: SE/4, E/2SW/4; Sect. 30: Lots 5 and 6

Total Acres in Described Lease: 319 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: 1713 Feet
 Building Unit: 1794 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 2130 Feet
 Above Ground Utility: 1200 Feet
 Railroad: 5280 Feet
 Property Line: 152 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: 80 Feet

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

Federal or State Unit Name (if appl): Williams Fork Unit Number: COC074956X

SPACING & FORMATIONS COMMENTS

This well is within a Federal Unit; spacing is not applicable.

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: 6509 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 80 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)

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 Distance to nearest well permitted or completed in the same formation is 80' - this is a permitted well on same multi-well pad, Hamil 19-16D.

This Horizontal well will NOT be fracture stimulated, so Offset Well Evaluation is not applicable.

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

Location ID: 442178

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: Terry L. Hoffman

Title: Permit Agent Date: 9/4/2015 Email: terry@rockymountainpermitting

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: 10/23/2015

Expiration Date: 10/22/2017

API NUMBER

05 081 07822 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

	<p>1) Operator shall comply with the most current revision of the Northwest Notification Policy. See attached notice.</p> <p>2) Operator shall perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling. The offset proposed wells Williams Fork 1-19 (081-07776) and Hamill 19-16D (081-07820) are permitted to GRMR Oil & Gas LLC as of 9/30/2015. Notice is not required if all wells are by the same operator when drilled.</p> <p>3) Operator shall provide cement coverage from the production casing shoe (9+5/8" First String) to a minimum of 200' above the surface casing shoe to provide isolation of all formations that are not otherwise covered by surface casing. Verify production casing cement coverage with a cement bond log.</p>
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Best Management Practices

No BMP/COA Type

Description

1	Storm Water/Erosion Control	A Stormwater Management Plan will be prepared and will meet all requirements of the COGCC & CDPHE. Stormwater BMP's will be put in place to control erosion prior to constructing the well pad and access road.
2	Drilling/Completion Operations	One of the first wells drilled on the pad will be logged with open-hole Resistivity Log and Gamma Ray Log from the kick-off point 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 and have those logs attached. The Form 5 for a well without open-hole logs shall clearly state "No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run.

Total: 2 comment(s)

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num

Name

400779996	FORM 2 SUBMITTED
400895400	DIRECTIONAL DATA
400895540	WELL LOCATION PLAT
400895543	DEVIATED DRILLING PLAN
400896017	SURFACE AGRMT/SURETY

Total Attach: 5 Files

General Comments

User Group

Comment

Comment Date

Permit	Corrected forms related from Doc 400787414 to 400917437 and notified operator. Final review complete.	10/22/2015 2:34:45 PM
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Permit	<p>Corrected surface and minerals that minerals beneath the location will be produced to yes, with operator approval.</p> <p>Corrected the Surface and Minerals to match the 2A; Surface Owner is Mineral Owner, is committed to and has signed a lease and that minerals beneath the lease will be produced.</p> <p>Changed the mineral lease description to match earlier approved 2A describing the lease at the surface.</p> <p>Drilling and waste management corrected from Drilling Pit to Cuttings Trench to match the form 2A. Operator notified and agrees with all changes and corrections.</p>	10/16/2015 7:32:59 AM
Engineer	Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information was used in addition to locally-available geophysical logs and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 450'.	9/30/2015 5:03:13 PM
Engineer	Mancos Formation outcrops at the surface. A shallow, potential water source (weathered Mancos and/or Morapos) is apparent on offset electrical logs for Hamill #1 (081-06598, base at 740' MD, elev. 5620' MSL) and Gilbert Myers #1-29 (081-06310, base at 830' MD, elev. 5800' MSL). Using an average value of 5710' MSL and this proposed well's ground elevation of 6455', the approximate base of the water resource is 745'. The operator's plan for 800' surface casing is acceptable. COGCC concurs with the operator's plan to cement the production casing (9+5/8" First String) into the surface casing.	9/30/2015 4:59:32 PM
Engineer	<p>Operator Offset Well Evaluation is not attached. Operator states, "This Horizontal well will NOT be fracture stimulated, so Offset Well Evaluation is not applicable." In the event that those plans change to include stimulation, COGCC offers comments regarding wells within 1500':</p> <p>According to COGCC records, offset permitted well Williams Fork 1-19 (05-081-07776) was not drilled, and its permit, Form 2 #400313808 expired on 2/7/2015. Planned cement coverage of the first string in that well left the interval from 2,375' to 800' uncemented. Full cement coverage will be required if a refile Form 2 is submitted for Williams Fork 1-19. The proposed path of this well is within 150' of the former planned Williams Fork 1-19 wellbore. An anticollision scan and bradenhead monitoring would also be required if a refile Form 2 is submitted for Williams Fork 1-19.</p> <p>The current, approved casing and cementing plan for proposed well Hamill 19-16D meets standards, and a Niobrara completion is not approved in the Hamill 19-16D (05-081-07820) well. No offset mitigation required.</p> <p>Evaluated offset DA well Myers 20-13 (05-081-06683), surface casing set at 918', open hole drilled to the Leadville Formation with a TD of 8812' then plugged back as a dry hole. Well plugged with 130 sx in open hole from 6265' to 6052' across the Shinarump Formation, 50 sx across the surface casing shoe from 968' to 868', and 10 sx at surface. No plug immediately above the Niobrara Formation, which is an objective formation in this proposed well. No offset mitigation required because the completed interval in this proposed well will be greater than 1500' from the open Niobrara in the Myers 20-13 well.</p> <p>Evaluated offset PA well Gilbert Myers 1-29 (05-081-06310), surface casing set at 326' and cemented to surface, production casing set at 5114' with top of cement at 4470', well TD in Lakota Formation at 5117'. Completed in the Lakota Formation and Dakota Formation and then plugged and abandoned after testing the completions. Well plugged with 25 sx above a CIBP at 4970', csg pulled at 1060', 25 sx at the csg stub, 20 sx across the surface casing shoe at 325', and 5 sx at surface. No plug immediately above the Niobrara Formation. No offset mitigation required because the completed interval in this proposed well will be greater than 1500' from the open Niobrara in Gilbert Myers 1-29.</p>	9/30/2015 4:45:03 PM
Engineer	Removed 0.5 lb/ft as casing weight for the conductor.	9/30/2015 4:17:55 PM

Permit	Pass completeness	9/10/2015 1:41:07 PM
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Total: 7 comment(s)