

FORM
2

Rev
08/16

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:

401408921

APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER UNPLANNED

Refilling ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☒

Date Received:

09/20/2017

Well Name: MARRS STATE

Well Number: 30N-10HZX

Name of Operator: KERR MCGEE OIL & GAS ONSHORE LP

COGCC Operator Number: 47120

Address: P O BOX 173779

City: DENVER

State: CO

Zip: 80217-3779

Contact Name: CHERYL LIGHT

Phone: (970)590-6461

Fax: (970)590-7461

Email: cheryl.light@anadarko.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20010124

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 22 Twp: 1N Rng: 67W Meridian: 6

Latitude: 40.037976

Longitude: -104.883372

Footage at Surface: 2120 Feet FNL/FSL 795 Feet FEL/FWL FNL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4990

County: WELD

GPS Data:

Date of Measurement: 07/24/2017 PDOP Reading: 1.6 Instrument Operator's Name: PRESTON KNUTSON

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

Footage at Top of Prod Zone: FNL/FSL 1750 FNL 106 FWL 800 FSL 142 FWL 800
Sec: 22 Twp: 1N Rng: 67W Sec: 10 Twp: 1N Rng: 67W

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: Surface Use Agreement

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.)

Township 1 North, Range 67 West, 6th P.M.
Section 22: NW/4
Weld County, Colorado

Total Acres in Described Lease: 160 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: 451 Feet
Building Unit: 749 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 799 Feet
Above Ground Utility: 241 Feet
Railroad: 5280 Feet
Property Line: 243 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: 04/12/2016

SPACING and UNIT INFORMATION

Distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 191 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 521 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

UNIT CONFIGURATION:

01N67W Sec 9 SESE
01N67W Sec 10 SWSW
01N67W Sec 15 W2W2
01N67W Sec 16 E2E2
01N67W Sec 21 E2NE
01N67W Sec 22 W2NW

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		560	GWA

DRILLING PROGRAM

Proposed Total Measured Depth: 15706 Feet

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged wells:

Enter distance if less than or equal to 1,500 feet: 238 Feet ☐ No well belonging to another operator within 1,500 feet

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? Yes

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: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

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	26	16	42.1	0	112	30	112	0
SURF	13+1/2	9+5/8	36	0	1860	720	1860	0
1ST	7+7/8	4+1/2	17	0	15696	1853	15696	

☐ 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	<p>Explanation of situation and why we need to sidetrack</p> <ul style="list-style-type: none">• Formation: Nio C• Lateral Category: 1.5 Section Lateral• We could not get adequate build rates to land the curve in our target formation. We will set a cement kick off plug back to ~600 ft above our original kick off point and then re-drill the curve. <p>Total Measured Depth Reached</p> <ul style="list-style-type: none">• 7,518' MD• 7,360' TVD <p>Casing Sizes set and MD</p> <ul style="list-style-type: none">• 16" conductor casing set at 112 ft. <p>Verbal/enail approved to plug back and sidetrack by Diana Burn on 09/19/2017.</p> <ul style="list-style-type: none">• 9.625" surface casing set at 1,860 ft. MD <p>Type of cement (if necessary)</p> <ul style="list-style-type: none">• 17 ppg kick off plug will extend from 6218' to 7018' MD (GRANITECEM system by Halliburton)<ul style="list-style-type: none">o 360 sacks• 15.8 ppg isolation plug will extend from 7018' to 7518' MD (PLUGCEM system by Halliburton)<ul style="list-style-type: none">o 150 sacks• Plug slurries and placement will be provided by Halliburton <p>Measured Depth and TVD of open hole sidetrack point</p> <ul style="list-style-type: none">• 6,756 ft. MD• 6,652 ft. TVD <p>Proposed target formation of sidetrack hole if different than permitted</p> <ul style="list-style-type: none">• Same well plan as permit <p>BHL of sidetrack hole</p> <ul style="list-style-type: none">• Same well plan as permit <p>Wellbore diagram</p> <ul style="list-style-type: none">• See attached
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This application is in a Comprehensive Drilling Plan _____ No _____ CDP #: _____

Location ID: 425469

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: CHERYL LIGHT

Title: SR REGULATORY ANALYST Date: 9/20/2017 Email: DJREGULATORY@ANADARK

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: 9/24/2017

Expiration Date: 09/23/2019

API NUMBER

05 123 44783 01

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

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Best Management Practices

No BMP/COA Type

Description

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Applicable Policies and Notices to Operators

Policy
Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

Att Doc Num

Name

401408921	FORM 2 SUBMITTED
401408939	WELLBORE DIAGRAM
401408940	WELL LOCATION PLAT
401408941	CORRESPONDENCE

Total Attach: 4 Files

General Comments

User Group

Comment

Comment Date

Permit	Final Review Completed	09/21/2017
Permit	Spacing Unit does not change. Unplanned sidetrack for Marrs State 30N-10HZ (API# 123-44783-00). Permitting Review Complete.	09/20/2017
Permit	LGD and public comment periods waived by COGCC Staff. Comment periods do not apply to this application for an unplanned Sidetrack or Rig Skid when drilling is in progress.	09/20/2017
Permit	Passed completeness.	09/20/2017

Total: 4 comment(s)