

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:  
401642365

APPLICATION FOR PERMIT TO:

Drill  Deepen  Re-enter  **Recomplete and Operate**

Date Received:  
05/22/2018

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

Refilling   
Sidetrack

Well Name: MCELWAIN Well Number: 32-17  
Name of Operator: K P KAUFFMAN COMPANY INC COGCC Operator Number: 46290  
Address: 1675 BROADWAY, STE 2800  
City: DENVER State: CO Zip: 80202  
Contact Name: Susana Lara-Mesa Phone: (303)825-4822 Fax: ( )  
Email: slaramesa@kpk.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: \_\_\_\_\_

WELL LOCATION INFORMATION

QtrQtr: SWNE Sec: 17 Twp: 1S Rng: 67W Meridian: 6  
Latitude: 39.965278 Longitude: -104.912500

Footage at Surface: 2336 Feet FNL/FSL FNL 2596 Feet FEL/FWL FEL

Field Name: WATTENBERG Field Number: 90750  
Ground Elevation: 5162 County: ADAMS

GPS Data:  
Date of Measurement: 01/26/2010 PDOP Reading: 1.7 Instrument Operator's Name: Robert Girillego

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  
Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_ Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

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.)

Lease consists of Sec 17: All, Sec 20: NE/4, T1S R67W, Adams County, CO.

Total Acres in Described Lease: 800 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: 2399 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 2560 Feet  
 Building Unit: 2560 Feet  
 High Occupancy Building Unit: 2753 Feet  
 Designated Outside Activity Area: 2753 Feet  
 Public Road: 725 Feet  
 Above Ground Utility: 725 Feet  
 Railroad: 5280 Feet  
 Property Line: 460 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 proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 43 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1302 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

**SPACING & FORMATIONS COMMENTS**

KPK plans to open the Niobrara (7565'-7870') and the Codell (8000'-8020') in existing well.  
 Proposed wellbore spacing unit: SENW, NESW, NWSE, and SWNE S. 17-1S-67W

**OBJECTIVE FORMATIONS**

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CODELL	CODL		160	GWA
NIOBRARA	NBRR		160	GWA

## DRILLING PROGRAM

Proposed Total Measured Depth: 8697 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: 745 Feet  No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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: \_\_\_\_\_ Drilling Fluids Disposal Methods: \_\_\_\_\_

Cuttings Disposal: \_\_\_\_\_ Cuttings Disposal Method: \_\_\_\_\_

Other Disposal Description:

Beneficial reuse or land application plan submitted? \_\_\_\_\_

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	8+5/8	24	0	1274	700	1274	0
1ST	7+7/8	4+1/2	11.6	0	8689	254	8689	7265
			Stage Tool		5468	127	5473	4950

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

This application is in a Comprehensive Drilling Plan       No       CDP #: \_\_\_\_\_

Location ID:       320478      

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:       Susana Lara-Mesa      

Title:       VP of Engineering       Date:       5/22/2018       Email:       slaramesa@kpk.com      

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:       *[Signature]*       Director of COGCC Date:       7/22/2018      

Expiration Date:       07/21/2020      

**API NUMBER**  
05 001 09423 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**

	Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test: 1) Within 60 days of rig release, prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation. 2) 6 months after rig release, prior to stimulation (delayed completions). 3) Within 30 days of first production, as reported on Form 5A.
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**Best Management Practices**

**No BMP/COA Type**

**Description**

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## Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.  
[http://cogcc.state.co.us/documents/reg/Policies/Wildlife\\_Notice.pdf](http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf)

### Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2158139	PROPOSED SPACING UNIT
401642365	FORM 2 SUBMITTED
401642854	WELLBORE DIAGRAM
401642864	WELLBORE DIAGRAM
401649083	SURFACE OWNER CONSENT

Total Attach: 5 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	With operators concurrence corrected mineral lease description, distance to mineral lease line and distance to unit. Permitting Review Complete. Final Review Completed.	07/16/2018
Permit	operator submitted PSU. requested verification of as built; not consistent with GIS or Google Earth; corrected as built information to be consistent with last submitted spreadsheet corrected SHL footages requested review of lease description, acres, and distance to lease line. Would this also be distance to property line?	07/03/2018
Permit	Operator submitted 80 acre unit under 407-87 but NBRR completion requires GWA wellbore spacing unit for the SENW, SWNE, NESW, and NWSE of S. 17:160 acres. Corrected distance to unit boundary and provided distance to utility. Operator corrected "minerals beneath location will be developed by this well" to YES. Requested corrected distance to lease line.	06/01/2018
Permit	Passes completeness.	05/22/2018

Total: 4 comment(s)