

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:

401617505

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 ☐

Date Received:

04/27/2018

Well Name: VALLEY FARMS

Well Number: F21

Name of Operator: URSA OPERATING COMPANY LLC

COGCC Operator Number: 10447

Address: 1600 BROADWAY ST STE 2600

City: DENVER State: CO Zip: 80202

Contact Name: CHRIS MCRICKCARD

Phone: (720)508-8362

Fax: ( )

Email: CMCRICKARD@URSARESOURCE.COM

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120125

WELL LOCATION INFORMATION

QtrQtr: NWSW Sec: 14 Twp: 6S Rng: 92W Meridian: 6

Latitude: 39.525629

Longitude: -107.642391

Footage at Surface: 2105 Feet FNL/FSL FSL 387 Feet FEL/FWL FWL

Field Name: MAMM CREEK

Field Number: 52500

Ground Elevation: 5613

County: GARFIELD

GPS Data:

Date of Measurement: 04/20/2006 PDOP Reading: 1.0 Instrument Operator's Name: HOLMES

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

1882 FSL 1214 FWL 1882 FSL 1214 FWL  
Sec: 14 Twp: 6S Rng: 92W Sec: 14 Twp: 6S Rng: 92W

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.)

PLEASE SEE LEASE MAP ATTACHMENT PROVIDED WITH PREVIOUS APD SUBMITTALS.

Total Acres in Described Lease: 132 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: 90 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 642 Feet  
Building Unit: 791 Feet  
High Occupancy Building Unit: 2459 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 449 Feet  
Above Ground Utility: 1073 Feet  
Railroad: 5280 Feet  
Property Line: 246 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: 305 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 707 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.)
ILES	ILES	191-50	160	SEC.14 - SW/4
WILLIAMS FORK	WMFK	191-24	160	SEC.14 - SW/4

## DRILLING PROGRAM

Proposed Total Measured Depth: 8408 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: \_\_\_\_\_ 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? 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: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

If cuttings meet table 910 they will be beneficially reused.

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
CONDUCTOR	24	16	65	0	80	70	80	0
SURF	12+1/4	8+5/8	32	0	1000	416	1000	0
1ST	7+7/8	4+1/2	11.6	0	8408	763	8408	

☐ 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 Form 2 refile is being submitted to maintain the existing, open conductor pipe set for this well and future development plans. Conductor information provided on the Casing tab is actual, as-drilled information. The \_ pad is an existing pad containing \_ producing wells. There is no additional surface disturbance associated with this refile, therefore a refiled / amended Form 2A is not required at this time. No changes to the well location (SHL or BHL) or wellbore construction are proposed with this refile. There have been no changes in land use, mineral lease information or surface use agreement.

Distance from completed portion to nearest completed portion of wellbore permitted/completed in the same formation measured to the Valley Farms F5 (045-14286). No non-op wells within 1500'.

Deviated drilling plan and directional data template provided with this refile. Please refer to previously approved APDs for all other required attachments.

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

Location ID: 335538

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: JENNIFER LIND

Title: REGULATORY ANALYST Date: 4/27/2018 Email: JLIND@URSARESOURCES.C

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: \_\_\_\_\_ Director of COGCC Date: 7/25/2018

Expiration Date: 07/24/2020

### API NUMBER

05 045 18287 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.

<u>COA Type</u>	<u>Description</u>
	<p>The moisture content of water/bentonite based mud (WBM) generated drill cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. The operator has indicated in the 'DRILLING WASTE MANAGEMENT PROGRAM SECTION' of the Form 2A; that 'Cuttings Disposal' will be "OFFSITE" and that the 'Cuttings Disposal Method' will be "Beneficial reuse", 'Other Disposal Description' indicates that "If cuttings meet Table 910 they will be beneficially reused." Any proposed offsite disposal or beneficial reuse of cuttings to another oil and gas location shall not occur until approval of a Form 4 Sundry Notice specifying disposal or beneficial reuse location and cuttings material sampling and characterization methods. Remediated or amended cuttings shall not be made available as fill material to the general public.</p> <p>Any changes to drill cuttings management and disposal on this location will require submittal (via a Form 4 Sundry Notice) and approval of a Beneficial Reuse Plan detailing the changes (specifying cuttings characterization methods, cuttings management, amendment, and onsite disposal location[s]). Any of the WBM drill cuttings that will remain on the well pad location must be sampled and meet the applicable standards of Table 910-1.</p>
	Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017).
	If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016, revised October 6, 2016).
	This Permit to Drill is approved subject to all the BMP's and COA's on the most recently approved Form 2A and any subsequently approved Form 4 for the Oil and Gas Location (Location ID # 335538). The most recently approved Form 2A and any subsequent Form 4's containing applicable COA's for this location shall be posted onsite during construction, drilling, and completions operations.
	<p>1)Operator shall comply with the most current revision of the Northwest Notification Policy.</p> <p>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 that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1).</p> <p>3)Operator shall comply with the most current revision of the Mamm Creek Field Notice to Operators, with the following exception: All field notice requirements specified in that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1). Operator shall submit the primary cement job Cement Bond Log (CBL) with either the Form 4 Sundry Notice - Request to Complete or the Form 5 Drilling Completion Report.</p> <p>4)Operator shall comply with the Notice to Operators Drilling Wells in the Buzzard, Mamm Creek, and Rulison fields, Garfield County and Mesa County – Procedures and Submittal Requirements for Compliance with COGCC Order Nos. 1-107, 139-56, 191-22, and 369-2 (July 8, 2010).</p> <p>5)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 500' above the Lower Wasatch (as defined by COGCC in the report "Casing and Cement Standards for Geologic Isolation Piceance Basin Bradenhead Monitoring Area and Nearby Fields," dated April 18, 2016, COGCC Document No. 2056199, Appendix A Field Scout Cards and Annotated Type Logs) to provide isolation of all Mesaverde Group and underlying formations, if penetrated, the Ohio Creek Formation, and the lower portion of the Wasatch Formation. Verify production casing cement coverage with a cement bond log.</p>

## **Best Management Practices**

<b><u>No</u></b>	<b><u>BMP/COA Type</u></b>	<b><u>Description</u></b>
1	Planning	<p>DUST CONTROL - The pad and access road will be graveled to reduce fugitive dust. In addition, water and other dust suppressants may be used as required, dependent upon the level of activity, moisture conditions, etc.</p> <p>ODORS - Combustor controls will be used to mitigate odors from production tanks.</p> <p>ODORS - Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drill-out, and venting of salable and non-salable gas</p> <p>NOISE – Noise levels will be monitored in accordance with COGCC regulations and any COAs.</p> <p>LIGHT – All lights will be aimed inward and downward on the drill pad to prevent fugitive light from leaving the pad location.</p>
2	Drilling/Completion Operations	<p>An existing well on the pad logged with open-hole resistivity log with gamma-ray, from TD into the surface casing (Valley Farms F1, API 05-045-14290). All wells on the pad will have a cement bond log (CBL) with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. 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 will state "No open-hole logs were run" and will clearly identify the type of log and the well (by API#) in which openhole logs were run.</p>

Total: 2 comment(s)

## **Applicable Policies and Notices to Operators**

Mamm Creek Field Area Notice to Operators.

<http://cogcc.state.co.us/documents/reg/Policies/Mamm%20Creek%20Drilling.pdf>

Piceance Rulison Field - Notice to Operators.

<http://cogcc.state.co.us/documents/reg/Policies/NoticeToOp-20060623-2.pdf>

NW Colorado Notification Policy.

[http://cogcc.state.co.us/documents/reg/Policies/nw\\_notification\\_procedures.pdf](http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf)

Bradenhead Pressure Reporting-Garfield County (Mamm Creek & Rulison Fields) Mesa County (Buzzard Field).

[http://cogcc.state.co.us/documents/reg/Policies/NT0\\_07082010.pdf](http://cogcc.state.co.us/documents/reg/Policies/NT0_07082010.pdf)

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**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
401617505	FORM 2 SUBMITTED
401632441	DEVIATED DRILLING PLAN
401632442	DIRECTIONAL DATA

Total Attach: 3 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	07/17/2018
Permit	Added OGLA review task for buffer zone and waste management. Location was built prior to August 1, 21013. Corrected distance to lease line from 90' to 1882' with operator concurrence. Preliminary review complete.	05/22/2018
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 350 feet.  Offset Well Evaluation: Offset wells within 1500 feet of the planned wellbores on this pad meet standards. No mitigation required.  Removed Operator's comment that production casing cement will be >500 feet above TOG. See Condition of Approval #5 for cement coverage requirements. Operator to revise cement quantity accordingly.	05/14/2018
Permit	Form passes completeness.	05/08/2018
Permit	Return to draft for deviated drilling plan attachment.	05/07/2018

Total: 5 comment(s)