

FORM

2

Rev  
06/19

## 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:

401887149

**(REJECTED)**

Date Received:

01/09/2019

## 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: Fox Creek

Well Number: 36-0362D

Name of Operator: HIGHPOINT OPERATING CORPORATION

COGCC Operator Number: 10071

Address: 555 17TH ST STE 3700

City: DENVER State: CO Zip: 80202

Contact Name: Delores Montoya

Phone: (303)312-8145

Fax: ( )

Email: dmontoya@hpres.com

## RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20040060

## WELL LOCATION INFORMATION

QtrQtr: SESW Sec: 25 Twp: 12N Rng: 63W Meridian: 6

Latitude: 40.974473

Longitude: -104.385909

Footage at Surface: 390 Feet FNL/FSL FSL 1356 Feet FEL/FWL FWL

Field Name: HEREFORD

Field Number: 34200

Ground Elevation: 5410

County: WELD

GPS Data:

Date of Measurement: 08/16/2018 PDOP Reading: 1.9 Instrument Operator's Name: RYAN WILLIAMS

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

Footage at Top of Prod Zone: FNL/FSL FSL 300 FNL 1732 FWL 240 FSL 1716 FWL

Sec: 36 Twp: 12N Rng: 63W Sec: 1 Twp: 11N Rng: 63W

## LOCAL GOVERNMENT INFORMATION

County: WELD

Municipality: \_\_\_\_\_

Per § 34-60-106 (1)(f)(I)(A), the following questions pertain to the "local government with jurisdiction to approve the siting of the proposed oil and gas location."

The local government with jurisdiction is: \_\_\_\_\_

Does the local government with jurisdiction regulate the siting of Oil and Gas Locations, with respect to this COGCC application? If the local government has waived its right to precede the COGCC in siting determination, indicate by selecting "NO" here and selecting "Waived" below.

☐ Yes ☐ NoIf yes, in checking this box, I hereby certify that an application has been filed with the local government with jurisdiction to approve the siting of the proposed oil and gas location. ☐

The local government siting permit type is: \_\_\_\_\_

The local government siting permit was filed on: \_\_\_\_\_

The disposition of the application filed with the local government is: \_\_\_\_\_

Additional explanation of local process:

## 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: No

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.)

Total Acres in Described Lease: 640 Described Mineral Lease is: ☐ Fee ☒ State ☐ Federal ☐ Indian

Federal or State Lease # CO 8755.5

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

|                                   |                  |
|-----------------------------------|------------------|
| Building:                         | <u>3930</u> Feet |
| Building Unit:                    | <u>3930</u> Feet |
| High Occupancy Building Unit:     | <u>5280</u> Feet |
| Designated Outside Activity Area: | <u>5280</u> Feet |
| Public Road:                      | <u>1342</u> Feet |
| Above Ground Utility:             | <u>1390</u> Feet |
| Railroad:                         | <u>5280</u> Feet |
| Property Line:                    | <u>390</u> Feet  |
| School Facility:                  | <u>1999</u> Feet |
| School Property Line:             | <u>1999</u> Feet |
| Child Care Center:                | <u>1999</u> 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, Designated Outside Activity Area, School Facility, and Child Care Center – 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: 114 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 300 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODELL                 | CODL           | 421-80                  | 1280                          | All of sec 25 & 36                   |

**DRILLING PROGRAM**

Proposed Total Measured Depth: 18075 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: Land application

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 454282 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        | 13+1/2       | 9+5/8          | 36    | 0             | 1500          | 730       | 1500    | 0       |
| 1ST         | 8+3/4        | 7              | 26    | 0             | 7961          | 772       | 7961    | 1300    |
| 1ST LINER   | 6+1/8        | 4+1/2          | 11.6  | 7061          | 18075         | 559       | 18075   | 7061    |

☒ 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 well has a bottom-hole location beyond the unit boundary setback. The bottom of the completed interval will be within the unit boundary setback at 300' FNL and 1732' FWL of Section 1. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

The distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed within the unit was measured to the Bevo 4-36 SWD, this distance was measured in 2D.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ No \_\_\_\_\_ 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: Delores Montoya

Title: Sr. Regulatory Analyst Date: 1/9/2019 Email: dmontoya@hpres.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules, applicable orders, and SB 19-181 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.

### **COA Type**

### **Description**

|                                |  |
|--------------------------------|--|
| Drilling/Completion Operations | <p>1) Submit Form 42 online to COGCC 48 hours prior to MIRU (spud notice) for the first well activity with a rig on the pad and provide 48 hour spud notice via Form 42 for all subsequent wells drilled on the pad.</p> <p>2) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log.</p> <p>3) Oil-based drilling fluid is to be used only after setting surface casing.</p> <p>Bradenhead</p> <p>Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test.:</p> <p>1) All: Within 60 days of rig release, prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation.</p> <p>2) Delayed completion: 6 months after rig release, prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation.</p> <p>3) A post-production test within 60 days after first sales, as reported on the Form 10, Certificate of Clearance.</p> |
|--------------------------------|--|

## **Best Management Practices**

### **No BMP/COA Type**

### **Description**

|   |                                |  |
|---|--------------------------------|--|
| 1 | Drilling/Completion Operations | HighPoint will adhere to the COGCC Policy for Bradenhead Monitoring effective 5/29/12.   |
| 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**

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**

### **Att Doc Num**

### **Name**

|           |                            |
|-----------|----------------------------|
| 401887149 | FORM 2 SUBMITTED           |
| 401895416 | OffsetWellEvaluations Data |
| 401895440 | DIRECTIONAL DATA           |
| 401895445 | DEVIATED DRILLING PLAN     |
| 401895463 | MINERAL LEASE MAP          |
| 401895469 | WELL LOCATION PLAT         |
| 401895472 | SURFACE AGRMT/SURETY       |
| 401895473 | WASTE MANAGEMENT PLAN      |

Total Attach: 8 Files

### General Comments

| <u>User Group</u>    | <u>Comment</u>   | <u>Comment Date</u> |
|----------------------|--|---------------------|
| Permit<br>(Rejected) | REJECTION COMMENT: This APD is being rejected per the Rejection Process because another APD on the same pad had a total of 6 (six) errors that were found during the technical review. This APD has not been reviewed. | 06/04/2019          |
| Engineer             | Evaluated existing wells within 1500' of proposed directional.   | 05/31/2019          |
| Permit               | Passed completeness.   | 01/18/2019          |
| Permit               | Returned to draft - Lat/long on Well Location tab does not match plat.<br>Corrected by operator.   | 01/13/2019          |

Total: 4 comment(s)

**REJECTED**

## Public Comments

No public comments were received on this application during the comment period.

**REJECTED**