

FORM  
2Rev  
08/19

## 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:

402119663

(SUBMITTED)

Date Received:

02/19/2020

## APPLICATION FOR PERMIT TO:

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and OperateTYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: \_\_\_\_\_Refilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: Schrute

Well Number: 1N

Name of Operator: PDC ENERGY INC

COGCC Operator Number: 69175

Address: 1775 SHERMAN STREET - STE 3000

City: DENVER

State: CO

Zip: 80203

Contact Name: Ally Ota

Phone: (303)860-5800

Fax: ( )

Email: alexandria.ota@pdce.com

## RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20160047

## WELL LOCATION INFORMATION

QtrQtr: NESW Sec: 16 Twp: 5N Rng: 64W Meridian: 6

Latitude: 40.398290

Longitude: -104.558320

Footage at Surface: 2265 Feet FNL/FSL FSL 1702 Feet FEL/FWL FWL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4613

County: WELD

GPS Data:

Date of Measurement: 02/21/2019 PDOP Reading: 2.1 Instrument Operator's Name: Scott Sherard

If well is ☐ Directional ☒ Horizontal (highly deviated) submit deviated drilling plan.Footage at Top of Prod Zone: FNL/FSL FSL 175 FWL 2533 FSL 175 FEL  
Bottom Hole: FNL/FSL FSL 175 FEL

Sec: 16 Twp: 5N Rng: 64W Sec: 15 Twp: 5N Rng: 64W

## LOCAL GOVERNMENT INFORMATION

County: WELD

Municipality: N/A

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: County

Does the local government with jurisdiction regulate the siting of Oil and Gas Locations, with respect to this location? If the local government does regulate the siting, but has waived its right to precede the COGCC in siting determination, indicate by selecting "YES" here and selecting "Waived" for the disposition 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: WOGLA

The local government siting permit was filed on: 05/02/2019

The disposition of the application filed with the local government is: Approved

Additional explanation of local process:

WOGLA 19-0081 approved 9/18/2019

## 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.)

5N64W-Sec. 16: ALL

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

Federal or State Lease # 81/6052-S

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

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building:	<u>1446</u> Feet
Building Unit:	<u>1825</u> Feet
High Occupancy Building Unit:	<u>2409</u> Feet
Designated Outside Activity Area:	<u>5280</u> Feet
Public Road:	<u>1964</u> Feet
Above Ground Utility:	<u>1675</u> Feet
Railroad:	<u>4859</u> Feet
Property Line:	<u>115</u> Feet
School Facility:	<u>2310</u> Feet
School Property Line:	<u>2292</u> Feet
Child Care Center:	<u>2310</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: 266 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 175 Feet (Enter 5280 for distance greater than 1 mile.)

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

## SPACING & FORMATIONS COMMENTS

\_\_\_\_\_

If this Form 2 is associated with a Drilling and Spacing Unit application, provide docket number: \_\_\_\_\_

## 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	407-2937	1280	S. 15 & 16:All

## DRILLING PROGRAM

Proposed Total Measured Depth: 17736 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: 20 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: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

The surface hole will be drilled with water based mud and the production hole will be drilled with oil based mud. Water based drilling fluid and cuttings will be land applied at PDC spread fields with COGCC Facility ID 449950 or 461014.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 461014 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	9+5/8	36	0	1600	920	1600	0
1ST	8+1/2	5+1/2	20	0	17736	2035	17736	0

☒ 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

PDC requests an exception to rule 317.p.: PDC will run a cased hole log.

The distance to the completed portion of the nearest well on the "Spacing and Formations" tab was measured to the Schrute 2N (Doc 402298029). The distance to the nearest wellbore belonging to another operator on the "Drilling & Waste Plans" tab was measured to the Klein B16-98HZ (05-123-32651). Both distances were measured via the anti-collision report attached in the deviated drilling plan.

The subject well will have a treated interval less than 150' from the treated interval of the following wells owned by Noble. Please see the Rule 317.s Stimulation Setback Consent attached.

Holman B15-65HNM (05-123-37200)  
Klein B16-98HZ (05-123-32651)  
Klein B16-99HZ (05-123-32650)  
Patriot B16-20 (05-123-25729)

The surface owner of this location is also the encroached upon surface owner. Property line waivers are attached.

Patriot B16-21 (05-123-25731)  
Patriot B16-22 (05-123-25732)

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

Location ID: 471020



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: Ally Ota

Title: Regulatory Tech Date: 2/19/2020 Email: alexandria.ota@pdce.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**

### **Best Management Practices**

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

#### **Description**

1	Drilling/Completion Operations	Operator will 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.
2	Drilling/Completion Operations	Operator will comply with COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012. The Colorado Oil and Gas Conservation Commission (COGCC) has established this Policy Regarding Bradenhead Monitoring During Hydraulic Fracturing Treatments ("Treatment") in the Greater Wattenberg Area ("GWA") pursuant to COGCC 207.a. ("Policy"). This Policy applies to oil and gas operations in the GWA as defined by the COGCC Rules of Practice and Procedure.
3	Drilling/Completion Operations	OPEN HOLE LOGGING EXCEPTION: One of the first wells drilled on the pad will be logged with cased-hole neutron log with 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 in that well and have those logs attached. The Form 5 for each well shall state "Open Hole Logging Exception - No open-hole logs were run" and shall clearly identify the type of log and the well (by API #) in which open-hole logs were run.

Total: 3 comment(s)

### Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
402299583	EXCEPTION LOC WAIVERS
402299585	OPEN HOLE LOGGING EXCEPTION
402299589	EXCEPTION LOC REQUEST
402299590	WELL LOCATION PLAT
402299594	SURFACE AGRMT/SURETY
402301075	EXCEPTION LOC REQUEST
402301076	EXCEPTION LOC WAIVERS
402316253	OffsetWellEvaluations Data
402316279	STIMULATION SETBACK CONSENT
402316379	DEVIATED DRILLING PLAN
402316380	DIRECTIONAL DATA

Total Attach: 11 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Return to draft per operator request.	02/19/2020

Total: 1 comment(s)

## **Public Comments**

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

