FORM 2 Rev 12/20

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: 402684533 **(SUBMITTED)**
Date Received:` 09/07/2021

APPLICATION FOR PERMIT TO:

[X] **Drill** [ ] Deepen [ ] Re-enter [ ] Recomplete and Operate

Amend [ ]
Refile [X]
Sidetrack [ ]

TYPE OF WELL OIL [X] GAS [ ] COALBED [ ] OTHER:

ZONE TYPE SINGLE ZONE [X] MULTIPLE ZONES [ ] COMMINGLE ZONES [ ]

Well Name: Timbro 1717 Well Number: 13H

Name of Operator: VERDAD RESOURCES LLC COGCC Operator Number: 10651

Address: 1125 17TH STREET SUITE 550

City: DENVER State: CO Zip: 80202

Contact Name: Allison Schieber Phone: (720)845-6909 Fax: ( )

Email: regulatory@verdadresources.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20170009

WELL LOCATION INFORMATION

Surface Location

QtrQtr: NENE Sec: 17 Twp: 9N Rng: 59W Meridian: 6

Footage at Surface: 334 Feet FNL (FNL/FSL) 892 Feet FEL (FEL/FWL)

Latitude: 40.756875 Longitude: -103.995828

GPS Data: GPS Quality Value: 1.5 Type of GPS Quality Value: PDOP Date of Measurement: 03/20/2018

Ground Elevation: 5011

Field Name: WILDCAT Field Number: 99999

Well Plan: is [ ] Directional [X] Horizontal (highly deviated) [ ] Vertical

If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.

Subsurface Locations

Top of Productive Zone (TPZ)

Sec: 17 Twp: 9N Rng: 59W Footage at TPZ: 300 FNL (FNL/FSL) 944 FEL (FEL/FWL)

Measured Depth of TPZ: 6658 True Vertical Depth of TPZ: 6250

Base of Productive Zone (BPZ)

Sec: 17 Twp: 9N Rng: 59W Footage at BPZ: 300 FSL (FNL/FSL) 935 FEL (FEL/FWL)

Measured Depth of BPZ: 11389 True Vertical Depth of BPZ: 6250

Bottom Hole Location (BHL)

Sec: 17 Twp: 9N Rng: 59W Footage at BHL: 210 FSL (FNL/FSL) 935 FEL (FEL/FWL)

LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD Municipality: N/A

Is the Surface Location of this Well in an area designated as one of State interest and subject to the requirements of § 24-65.1-108 C.R.S.? Yes

Per § 34-60-106(1)(f)(I)(A) C.R.S., the following questions pertain to the Relevant Local Government approval of the siting of the proposed Oil and Gas Location.

SB 19-181 provides that when "applying for a permit to drill," operators must include proof that they sought a local government siting permit and the disposition of that permit application, or that the local government does not have siting regulations. § 34-60-106(1)(f)(I)(A) C.R.S.

Does the Relevant Local Government regulate the siting of Oil and Gas Locations, with respect to this Location? [X] Yes [ ] No

[X] If 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 disposition of the application filed with the Relevant Local Government is: Approved Date of Final Disposition: 10/11/2019

Comments: WOGLA19-0203

SURFACE AND MINERAL OWNERSHIP AT WELL'S OIL & GAS LOCATION

Surface Owner of the land at this Well's Oil and Gas Location: [X] Fee [ ] State [ ] Federal [ ] Indian

Mineral Owner beneath this Well's Oil and Gas Location: [X] Fee [ ] State [ ] Federal [ ] Indian

Surface Owner Protection Financial Assurance (if applicable): Surety ID Number (if applicable):

MINERALS DEVELOPED BY WELL

The ownership of all the minerals that will be developed by this Well is (check all that apply):

- [X] Fee
- [ ] State
- [ ] Federal
- [ ] Indian
- [ ] N/A

LEASE INFORMATION

Using standard QtrQtr, Section, Township, Range format describe one entire mineral lease as follows:
* If this Well is within a unit, describe a lease that will be developed by the Well.
* If this Well is not subject to a unit, describe the lease that will be produced by the Well.
(Attach a Lease Map or Lease Description or Lease if necessary.)

E2, Sec 17,T8N,R59W

Total Acres in Described Lease: 320 Described Mineral Lease is: [X] Fee [ ] State [ ] Federal [ ] Indian

Federal or State Lease #

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building:	1677	Feet
Building Unit:	1624	Feet
Public Road:	304	Feet
Above Ground Utility:	364	Feet

INSTRUCTIONS:
- Specify all distances per Rule 308.b.(1).
- 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 – as defined in 100 Series Rules.

Railroad: 5280 Feet

Property Line: 334 Feet

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	535-1236	640	Sec 17: ALL

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

SUBSURFACE MINERAL SETBACKS

Enter 5280 for distance greater than 1 mile.

Is this Well within a unit? Yes

If YES:

Enter the minimum distance from the Completed Zone of this Well to the Unit Boundary: 300 Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well within the same unit permitted or completed in the same formation: 605 Feet

If NO:

Enter the minimum distance from the Completed Zone of this Well to the Lease Line of the described lease: Feet

Enter the minimum distance from the Completed Zone of this Well to the Completed Zone of an offset Well producing from the same lease and permitted or completed in the same formation: Feet

Exception Location

☐ If this Well requires the approval of a Rule 401.c Exception Location, enter the Rule or spacing order number and attach the Exception Location Request and Waivers.

SPACING & FORMATIONS COMMENTS

DRILLING PROGRAM

Proposed Total Measured Depth: 11479 Feet TVD at Proposed Total Measured Depth 6250 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: 885 Feet ☐ No well belonging to another operator within 1,500 feet

Will a closed-loop drilling system be used? Yes

Is H_2S 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 Plan unless a plan was already submitted with the Form 2A per Rule 304.c.(10).

Will there be hydraulic fracture treatment at a depth less than 2,000 feet in this well? No

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

Beneficial reuse or land application plan submitted? No

Reuse Facility ID: or Document Number:

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	26	16	ASTM53	65	0	80	70	80	0
SURF	13+1/2	9+5/8	J55	36	0	1709	464	1709	0
1ST	8+1/2	5+1/2	p110	20	0	11479	1529	11479	0

☐ Conductor Casing is NOT planned

POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	Top M.D.	Top T.V.D.	Bottom M.D.	Bottom T.V.D.	TDS (mg/L)	Data Source	Comment
Groundwater	Alluvial Fill	0	0	450	450	501-1000	USGS	USGS-404200104042401
Groundwater	Fox Hills	450	450	650	650	0-500	USGS	USGS-410233104093202
Confining Layer	Pierre	650	650	1024	1022			
Groundwater	Upper Pierre Porosity	1024	1022	1658	1650	501-1000	USGS	USGS-395916104522601
Confining Layer	Pierre	1658	1650	3394	3370			
Hydrocarbon	Parkman	3394	3370	3956	3927			
Confining Layer	Pierre	3956	3927	4302	4270			
Hydrocarbon	Shannon	4302	4270	4867	4829			
Confining Layer	Pierre	4867	4829	6130	6043			
Hydrocarbon	Sharon Springs	6130	6043	6294	6149			
Hydrocarbon	Niobrara	6294	6149	11479	6250			

OPERATOR COMMENTS AND SUBMITTAL

Comments

Verdad is refiling this application for permit to drill, original permit expiration is 11/01/21.

The distance from the proposed wellbore to the nearest existing or proposed wellbore belonging to another operator is Tina LC29-73-1HNA operated by Noble, PR Status . Measured in 3D using an anti collision report, anti collision report attached as “other”.

The nearest well completed or permitted in the same formation is the Timbro 1717 14H(05-123-50617), measured in 2D using anti collision Report. Anti Collision report attached as “other”.

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’ FSL and 935’ FEL of Section 17. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

This application is in a Comprehensive Area Plan: No CAP #:

Oil and Gas Development Plan Name: OGDP ID#:

Location ID: 468967

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: Print Name: Allison Schieber

Title: Sr. Regulatory Analyst Date: 9/7/2021 Email: regulatory@verdadresources.c

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
05 123 50614 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

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Operator will person anti collision evaluation of all active (producing, shut-in, or temporarily abandoned) offset wellbores that have the potential of being within 150' of the proposed well prior to drilling operations. Notice shall be given to all offset operators prior to drilling.
2	Drilling/Completion Operations	Upon initial rig up and at least once every 30 days during drilling operations pressure testing of the casing string and each component of the blowout prevention (equipment including flange connections) shall be performed to 70% of working pressure or 70% of the internal yield of casing, whichever is less. Pressure testing shall be conducted and results shall be documented and retained by the operator, for inspection by the Director for a period of 1 year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.
3	Drilling/Completion Operations	Alternative logging program- One of the first wells drilled on the pad will be logged with an Open Hole Resistivity Log and a Gama 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 (MWD) Gamma Ray Log. The Form 5 for each well on the pas will list all logs run and all logs run will be attached. The Form 5 for a well without Open Hole Logs shall clearly state, "Alternative logging program- no Open Hole Logs were run" as well as identifying the API#, well name, and number of the pad well the Open Hole Log was run on.

Total: 3 comment(s)

Attachment List

Att Doc Num	Name
402720593	OffsetWellEvaluations Data
402800975	WELL LOCATION PLAT
402803446	DEVIATED DRILLING PLAN
402803451	OTHER
402803458	DIRECTIONAL DATA

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
		Stamp Upon Approval

Total: 0 comment(s)

Public Comments

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