

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:

402910569

Date Received:

01/20/2022

APPLICATION FOR PERMIT TO:

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

Amend ☐

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: _____

Refile ☒

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: Grande 4-65 20-19 Well Number: 4AH
Name of Operator: CRESTONE PEAK RESOURCES OPERATING LLC COGCC Operator Number: 10633
Address: 1801 CALIFORNIA STREET #2500
City: DENVER State: CO Zip: 80202
Contact Name: Kathy Denzer Phone: (720)822-8083 Fax: ()
Email: kdenzer@civiresources.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20160104

WELL LOCATION INFORMATION

Surface Location

QtrQtr: NWSW Sec: 21 Twp: 4S Rng: 65W Meridian: 6
Footage at Surface: 1332 Feet FSL 431 Feet FWL
Latitude: 39.685698 Longitude: -104.676910
GPS Data: GPS Quality Value: 1.3 Type of GPS Quality Value: PDOP Date of Measurement: 04/20/2018
Ground Elevation: 5619
Field Name: DJ HORIZONTAL NIOBRARA Field Number: 16950

Well Plan: is ☐ Directional ☒ 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: 20 Twp: 4S Rng: 65W Footage at TPZ: 1110 FSL 460 FEL
Measured Depth of TPZ: 8213 True Vertical Depth of TPZ: 7875 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 24 Twp: 4S Rng: 66W Footage at BPZ: 1110 FSL 460 FWL
Measured Depth of BPZ: 23186 True Vertical Depth of BPZ: 7875 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 24 Twp: 4S Rng: 66W Footage at BHL: 1110 FSL 460 FWL
FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: ARAPAHOE

Municipality: Aurora

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.? No

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? ☒ Yes ☐ No

☒ 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: 02/13/2020

Comments: Local Oil and Gas Permit approved via Administrative Decision on 2/13/20. Case No. 2017-6024-03

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

Surface Owner of the land at this Well's Oil and Gas Location: ☒ Fee ☐ State ☐ Federal ☐ Indian

Mineral Owner beneath this Well's Oil and Gas Location: ☒ 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):

☒ 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.)

T4S R65W Sec. 19: All

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

Federal or State Lease # _____

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 1823 Feet

Building Unit: 1925 Feet

Public Road: 440 Feet

Above Ground Utility: 481 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: 431 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	535-1367	5200	T4S R65W Secs. 17-20, 29, 30: All; T4S R66W Secs. 13; All, 14: E2SE, 24: 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: 460 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: 710 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: 23186 Feet TVD at Proposed Total Measured Depth 7875 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 H₂S 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? _____

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

<u>Casing Type</u>	<u>Size of Hole</u>	<u>Size of Casing</u>	<u>Grade</u>	<u>Wt/Ft</u>	<u>Csg/Liner Top</u>	<u>Setting Depth</u>	<u>Sacks Cmt</u>	<u>Cmt Btm</u>	<u>Cmt Top</u>
CONDUCTOR	26	16	A252 G	42.09	0	93	52	93	0
SURF	13+1/2	9+5/8	K55	40	0	2301	1157	2301	0
1ST	8+1/2	5+1/2	P110	17	0	23186	3561	23186	

☐ Conductor Casing is NOT planned

POTENTIAL FLOW AND CONFINING FORMATIONS

<u>Zone Type</u>	<u>Formation /Hazard</u>	<u>Top M.D.</u>	<u>Top T.V.D.</u>	<u>Bottom M.D.</u>	<u>Bottom T.V.D.</u>	<u>TDS (mg/L)</u>	<u>Data Source</u>	<u>Comment</u>
Groundwater	Denver	0	0	1384	1383	0-500	Other	Denver Formation is eroded.
Groundwater	Laramie	1384	1383	1750	1748	0-500	Groundwater Atlas	USGS HA-650 (Robson et al, 1981)
Groundwater	Fox Hills	1750	1748	1968	1966	0-500	Groundwater Atlas	USGS HA-650 (Robson et al, 1981)
Confining Layer	Pierre	1968	1966	2356	2354			
Groundwater	Upper Pierre Aquifer	2356	2354	3065	3062	501-1000	Electric Log Calculation	Murphy 1-8 (05-005-06491)
Confining Layer	Base of Upper Pierre Aq.	3065	3062	5086	5079			
Hydrocarbon	Larimer	5086	5079	5237	5230			
Hydrocarbon	Sussex	5237	5230	6157	6148			
Confining Layer	Shannon	6157	6148	7741	7689			
Confining Layer	Sharon Springs	7741	7689	7894	7786			
Hydrocarbon	Niobrara	7894	7786	8213	7875			

OPERATOR COMMENTS AND SUBMITTAL

Comments Distance from completed zone of this wellbore to nearest completed zone of an offset well within the same unit permitted or completed in the same formation was measured to the drilled Grande 4-65 20-19 3CH operated by Crestone Peak Resources in 2D.

There are no existing or proposed wellbores belonging to another operator, including plugged wells, within 1500 feet.

This is a Form 2 Refile.

Surface Casing has been set on this well.

Changes to the original approved Form 2 are: bottom hole location, total depth, casing and cement program. Crestone is lengthening these wellbores.

This location has been built; therefore, an OGDG is not required.

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

OGDP ID#: _____ OGDG Name: _____ Expiration Date: _____

Location ID: 450063 Location Name: Grande 4-65 20-19 3AH

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

Signed: _____ Print Name: Andrea Gross

Title: Permit Agent Date: 1/20/2022 Email: agross@upstreampm.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, applicable orders, and SB 19-181 and is hereby approved.

COGCC Approved: _____

Director of COGCC

Date: 3/8/2022

Expiration Date: 03/07/2025

API NUMBER

05 005 07488 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.

Condition of Approval

COA Type

Description

Drilling/Completion Operations	1) Submit Form 42 electronically to COGCC 2 business days prior to MIRU (spud notice) for the first well activity with a rig on the pad and provide 2 business day spud notice via Form 42 for all subsequent wells drilled on the pad. 2) Comply with Rule 408.j. and provide cement coverage from TD to a minimum of 500' above Niobrara. Verify coverage with a cement bond log. 3) Oil-based drilling fluid is to be used only after all fresh water aquifers are covered.
Drilling/Completion Operations	Per COGCC Order 1-232, Bradenhead tests shall be performed 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) If a delayed completion, a second test is required between 6-9 months after rig release and must be conducted prior to stimulation. If any pressure greater than 200 psi is observed or if there is continuous flow, Operator must contact COGCC engineer prior to stimulation. 3) A post-production test within 60 days after first sales, as reported on the Form 10, Certificate of Clearance.
Drilling/Completion Operations	If conductors are preset, operator shall comply with Notice to Operators: Procedures for Preset Conductors (dated September 1, 2016).
3 COAs	

Best Management Practices

No BMP/COA Type

Description

1	Drilling/Completion Operations	Alternative Logging Program: The Grande 4-65 20-19 3AH, API No. 05-005-07271, was the first well drilled on the pad and was 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 state "Alternative Logging Program - No open-hole logs were run". The Grande 4-65 20-19 3AH, API No. 05-005-07271, is the well in which open-hole logs were run.
2	Drilling/Completion Operations	Anti-collision: 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.

Total: 2 comment(s)

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
402910569	FORM 2 SUBMITTED
402910898	DEVIATED DRILLING PLAN
402910903	WELL LOCATION PLAT
402910904	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	03/04/2022
OGLA	Operator submitted a Form 4 Sundry (Doc #402969483) for the Location (ID #450063) with a lighting mitigation BMP and a timing stipulation BMP based on an earlier consultation with CPW. Operator informed OGLA staff that a Form 4 Sundry for the Reference Area Pictures had just recently been submitted and approved.	03/04/2022
OGLA	Requested operator submit a Form 4 Sundry for the Location to address need for a Lighting mitigation BMP, consultation with CPW as the location is within a mapped 1202.d. HPH for Mule Deer Severe Winter Range, and comply with a COA on the Form 2A to provide Reference Area Pictures.	03/01/2022
Permit	Final Review Completed.	02/14/2022

Total: 4 comment(s)