

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:

402605287

Date Received:

01/27/2022

APPLICATION FOR PERMIT TO:

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

Amend ☐

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

Refill ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: CC	Well Number: 0697-09-01E
Name of Operator: LARAMIE ENERGY LLC	COGCC Operator Number: 10433
Address: 1700 LINCOLN ST STE 3950	
City: DENVER	State: CO
Zip: 80203	
Contact Name: Wayne P Bankert	Phone: (970)812-5310
Email: wbankert@laramie-energy.com	Fax: ()

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20210135

WELL LOCATION INFORMATION

Surface Location

QtrQtr: NENW Sec: 10 Twp: 6S Rng: 97W Meridian: 6
Footage at Surface: 120 Feet FNL/FSL 2408 Feet FEL/FWL
Latitude: 39.544353 Longitude: -108.206932
GPS Data: GPS Quality Value: 1.5 Type of GPS Quality Value: PDOP Date of Measurement: 04/23/2020
Ground Elevation: 8592.1
Field Name: GRAND VALLEY Field Number: 31290

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: 9 Twp: 6S Rng: 97W Footage at TPZ: 139 FNL 630 FEL
Measured Depth of TPZ: 7935 True Vertical Depth of TPZ: 7228 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)

Sec: 9 Twp: 6S Rng: 97W Footage at BPZ: 139 FNL 630 FEL
Measured Depth of BPZ: 10072 True Vertical Depth of BPZ: 9365 FNL/FSL FEL/FWL

Bottom Hole Location (BHL)

Sec: 9 Twp: 6S Rng: 97W Footage at BHL: 139 FNL 630 FEL
FNL/FSL FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATION

County: GARFIELDMunicipality: 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.? 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: _____ Date of Final Disposition: _____

Comments: Garfield County is the local government with jurisdiction over the siting of this proposed oil and gas location, Advance Notice was sent to Garfield County's Community Development Department, notifying Garfield County of Laramie's intentions to submit an Oil and Gas Development Plan to COGCC. The notification included the proposed locations, including the Cascade Creek 0610-21-41 well site. The notice letter was sent on July 14, 2021, to Garfield County pursuant to COGCC Rule 302.e.

Garfield County, the local government with jurisdiction over the siting of this proposed oil and gas location, determined that per the Garfield County Land Use and Development Code Table 3-403: Use Table, "Oil and Gas Drilling and Production" and "Hydraulic Fracturing, Remote Surface Location" are a use by right if 1) the Location does not require an Alternative Location Analysis or 2) the Operator does not request higher permissible noise and light levels from Garfield County. The CC 0610-21-41 Well Site Location did not require an Alternative Location Analysis and Laramie did not request from Garfield County increased permissible noise and light levels from Garfield County. Therefore, "Oil and Gas Drilling and Production" and "Hydraulic Fracturing, Remote Surface Location" are a use-by-right and are exempt from Land Use Regulation in the Resource Lands Zone District.

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.)

See Attached Lease Map

Total Acres in Described Lease: 8262 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # _____

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 5280 Feet
Building Unit: 5280 Feet
Public Road: 5280 Feet
Above Ground Utility: 5280 Feet
Railroad: 5280 Feet
Property Line: 2886 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.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
WILLIAMS FORK-ILES	WFILS	1-229	0	T6S R97W: 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? No

If YES:

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

If NO:

Enter the minimum distance from the Completed Zone of this Well to the Lease Line of the described lease: 645 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: 359 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: 10072 Feet

TVD at Proposed Total Measured Depth 9365 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? No

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

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	26	18	SA-53B	47.44	0	90	150	90	0
SURF	14+3/4	9+5/8	J-55	36	0	2530	1130	2530	0
1ST	8+3/4	4+1/2	P-110IC	11.6	0	10072	1627	10072	2700

☐ 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	Uinta	0	0	817	812	0-500	CGS	CGS - Nearby Springs
Confining Layer	Green River/ Mahogany	817	812	3004	2780			Confining layer/Oil Shale. Mahogany permeability has been determined to be approximately 30 Nano Darcie.
Confining Layer	Wasatch	3004	2780	5027	4570			
Hydrocarbon	Wasatch 'G' Sand	5027	4570	5264	4780	1001-10000	Produced Water Sample	Gas well water analysis: API: 05045200130001,05045200230000, 05045106860000 Section 5, Section 9 & Section 15 T6S R97W. Salt Water. TDS: 750-2050 (mg/L)
Hydrocarbon	Fort Union	5264	4780	6995	6314	1001-10000	Produced Water Sample	Gas well water analysis:05045122270000-0100 Salt water
Hydrocarbon	Ohio Creek	6995	6314	7196	6502	>10000	Other	SWD well water analysis: API: 05045068710000. CC 604-01 (Sec 4 6S 97W) Salt Water. TDS 10,850 mg/L
Hydrocarbon	Williams Fork	7196	6502	7935	7228	>10000	Other	SWD well water analysis: API: 05045068710000. CC 604-01 (Sec 4 6S 97W) Salt Water. TDS 10,850 mg/L
Hydrocarbon	Top of Gas	7935	7228	9459	8752	>10000	Produced Water Sample	Gas well water analysis: API :05045200130001, 05045200230000, 05045106860000 Section 5, Section 9 & Section 15 T6S R97W. Salt Water
Hydrocarbon	Cameo	9459	8752	9857	9150	>10000	Produced Water Sample	Gas well water analysis: API 05045200130001, 05045200230000, 05045106860000 Section 5, Section 9 & Section 15 T6S R97W. Salt Water
Hydrocarbon	Base Cameo Coal	9857	9150	9872	9165	>10000	Produced Water Sample	Gas well water analysis: API :05045200130001, 05045200230000, 05045106860000 Section 5, Section 9 & Section 15 T6S R97W.
Hydrocarbon	Rollins	9872	9165	10072	9365	>10000	Produced Water Sample	Gas well water analysis: API :05045200130001, 05045200230000, 05045106860000 Section 5, Section 9 & Section 15 T6S R97W. Salt Water

OPERATOR COMMENTS AND SUBMITTAL

Comments

A parasite string will be strapped to the outside of surface casing with injection mandrel set approximately 120 feet above the surface shoe. The parasite string will be utilized for air injection while drilling the production hole section which will lower Downhole hydrostatic pressure to mitigate loss circulation. The parasite string will be permanently cemented off after production casing is cemented. The parasite string outer diameter will be 1.9 inches with a weight of 2.76 pounds per foot. The new parasite string (Grade: J-55) will be set at a depth of 2410 feet.

The well is not located within High Priority Habitat.

This application is in a Comprehensive Area Plan No CAP #: _____
OGDP ID#: 481179 OGDG Name: 2021 Cascade Creek Oil and Gas DP Expiration Date: 02/23/2025
Location ID: 383264 Location Name: Cascade Creek (CC) 0610-21-41

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

Signed: _____ Print Name: Wayne P Bankert
Title: Reg. & Enviro. Manager Date: 1/27/2022 Email: wbankert@laramie-energy.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: 4/14/2022
Expiration Date: 02/23/2025

API NUMBER

05 045 24508 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

<u>COA Type</u>	<u>Description</u>
Drilling/Completion 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 provide cement coverage from the production casing shoe (4 1/2" FIRST STRING) to a minimum of 200' above the Wasatch G 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 the Lower Wasatch, all Mesaverde Group formations including the Ohio Creek Formation, and underlying formations, if penetrated. Verify production casing cement coverage with a cement bond log.</p>
Interim Reclamation	Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017).
2 COAs	

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Alternative Logging Program: One of the wells drilled on the pad will be logged with open-hole Resistivity Log and Gamma Ray Log from TD 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 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 "Alternative Logging Program - No open-hole logs were run" and will clearly identify the type of log and the well (by API#) in which open-hole logs were run

Total: 1 comment(s)

Applicable Policies and Notices to Operators

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

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
402605287	FORM 2 SUBMITTED
402913437	WELL LOCATION PLAT
402913438	LEASE MAP
402913652	DEVIATED DRILLING PLAN
402913654	DEVIATED DRILLING PLAN
402919555	DIRECTIONAL DATA
402922327	SURFACE AGRMT/SURETY
402956274	OffsetWellEvaluations Data
403016453	OFFSET WELL EVALUATION

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	03/28/2022
OGLA	The Commission approved the Laramie Energy 2021 Cascade Creek OGDG (ID #481179) on 02/24/2022 by Commission Order #510-74 for the Cascade Creek (CC) 0610-21-41 Oil and Gas Location (Location ID #383264) related to this Form 2.	03/21/2022
Engineer	<p>Offset water well check: There are no permitted water wells within one mile of this proposed surface hole location.</p> <p>Offset Well Evaluation: Existing offset oil and gas wells within 1,500 feet of the wellbores on this pad meet standards. No mitigation required.</p> <p>Three offset wells produce from the Wasatch G formation within 1 mile. The producing wells have been taken into consideration for the cement coverage COA#3. CC #0697-04-07E 045-23986 TA CASCADE CREEK *697-15-01 045-10686 PR CASCADE CREEK #697-09-54B 045-16009 PR</p> <p>Operator did not attach offset will review with original Form 2 submission. Area engineer uploaded document provided by the Operator.</p>	02/14/2022
Permit	Corrected Surety Bond ID per operator. Passed Permit review.	02/04/2022

Total: 4 comment(s)