

FORM
2

Rev
05/22

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:

402940198

Date Received:

05/23/2022

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: Razor Well Number: 29H-2048
Name of Operator: FUNDARE RESOURCES OPERATING COMPANY LLC COGCC Operator Number: 10773
Address: 5251 DTC PKWY STE 950
City: GREENWOOD VILLAGE State: CO Zip: 80111
Contact Name: Sydney Smith Phone: (303)910-4511 Fax: ()
Email: ssmith@fundareresources.com

FINANCIAL ASSURANCE FOR PLUGGING, ABANDONMENT, AND RECLAMATION

COGCC Financial Assurance

☒ The Operator has provided or will provide Financial Assurance to the COGCC for this Well.

Surety ID Number (if applicable): 20210061

Federal Financial Assurance

☐ In checking this box, the Operator certifies that it has provided or will provide at least this amount of Financial Assurance to the federal government for this Well. (Per Rule 702.a.)

Amount of Federal Financial Assurance \$ _____

WELL LOCATION INFORMATION

Surface Location

QtrQtr: SENE Sec: 29 Twp: 10N Rng: 58W Meridian: 6

Footage at Surface: 2288 Feet FNL 828 Feet FEL

Latitude: 40.810356 Longitude: -103.882894

GPS Data: GPS Quality Value: 1.3 Type of GPS Quality Value: PDOP Date of Measurement: 04/18/2014

Ground Elevation: 4766

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: 29 Twp: 10N Rng: 58W Footage at TPZ: 2547 FSL 850 FEL

Measured Depth of TPZ: 6240 True Vertical Depth of TPZ: 5868 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)Sec: 32 Twp: 10N Rng: 58WFootage at BPZ: 300 FSL 850 FELMeasured Depth of BPZ: 13765True Vertical Depth of BPZ: 5868 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 32 Twp: 10N Rng: 58WFootage at BHL: 100 FSL 851 FELFNL/FSLFEL/FWL**LOCAL GOVERNMENT PERMITTING INFORMATION**County: WELDMunicipality: 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? ☒ 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: 01/21/2022Comments: An approved WOGLA amendment (1041WOGLA-AMD20-0015) was approved on 1.21.2022 for the subject location.**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 ☐ IndianMineral Owner beneath this Well's Oil and Gas Location: ☒ Fee ☐ State ☐ Federal ☐ Indian

Surface Owner Protection Bond (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.)

T10N-R58W
Section 32, S/2NE/4, SE/4

Total Acres in Described Lease: 240

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: 345 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.)
NIOBRARA	NBRR	535-553	960	S/2 S29, All S32

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: 100 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: 700 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: 13965 Feet TVD at Proposed Total Measured Depth 5868 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: 835 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

Casing Type	Size of Hole	Size of Casing	Grade	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	ASTM	65	0	80	70	80	0
SURF	13+1/2	9+5/8	J55	36	0	1750	750	1750	0
1ST	8+1/2	5+1/2	P110	20	0	13965	2100	13965	

☐ 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
Confining Layer	Laramie	0	0	407	407			
Groundwater	Fox Hills	407	407	655	655	501-1000	USGS	
Confining Layer	Pierre Shale	655	655	1060	1060			
Groundwater	Upper Pierre Sands	1060	1060	1392	1392	1001-10000	USGS	CO DNR Report Project Number 2141, page 10. Study-wide mean TDS value
Confining Layer	Pierre Shale	1392	1392	3343	3343			
Hydrocarbon	Parkman Sandstone	3343	3343	3638	3638			
Hydrocarbon	Pierre Shale	3638	3638	5080	5073			
Hydrocarbon	Upper Sharon Springs	5080	5073	5490	5481			
Hydrocarbon	Lower Sharon Springs	5490	5481	5773	5734			
Hydrocarbon	Niobrara	5773	5734	13965	5868			Not intending to exit bottom of the formation

OPERATOR COMMENTS AND SUBMITTAL

Comments

Fundare Resources Operating Company acquired the associated 2A Location (DOC #401099289) from Whiting Oil and Gas Corporation on 10.1.2021. The Form 9 is in process (DOC #402859547). The location has been constructed and the 2A is active. This is a refile Form 2 being filed under the existing API#. The TPZ and BHL have been update. No changes have been made to the surface hole location.

COGCC: Nearest non-operated well including PA - Reagan LD06-685 (05-123-08180) PR

Nearest well in the same formation is Razor 29H-2016 at 700'

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 850' FEL of Section 32. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

The BHL footages on the Well Location Plat are correct. The BHL footages listed on the maps of the deviated drilling plans are incorrect.

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

Oil and Gas Development Plan Name _____ OGDP ID#: _____

Location ID: 439542

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

Signed: _____ Print Name: Sydney Smith

Title: Manager EHSR Date: 5/23/2022 Email: ssmith@fundareresources.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: 9/22/2022

Expiration Date: 09/21/2025

API NUMBER

05 123 43893 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>
Construction	Operator shall comply with Notice to Operators: Interim Reclamation Procedures for Delayed Operations (dated January 5, 2017)
Drilling/Completion Operations	COGCC COA: Operator will ensure the wellbore beyond the unit boundary setback is physically isolated and is not completed. In the Operator Comments on the Form 5A the operator will (1) report the footages from the section lines of the bottom of the completed interval (2) describe how the wellbore beyond the unit boundary setback is physically isolated and (3) certify that none of the wellbore beyond the setback was completed.
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.
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, 6 months after rig release and prior to stimulation. If any pressure greater than 200 psi, 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	Operator acknowledges the proximity of the listed non-operated wells. Operator assures that this offset list will be remediated per the Offset Well Evaluation and Hydraulic Fracturing Operator Guidance Document using Option 3. Operator will submit a Form 42 ("OFFSET MITIGATION COMPLETED") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well. DEWITT-BRENNAN *32-1 API (123-09004) BRENNAN *2 API (123-19969) NICOLA *1 API (123-20475) Operator acknowledges the proximity of the listed wells. Operator assures that this offset will be remediated per the Offset Well Evaluation and Hydraulic Fracturing Operator Guidance Document using Option 4. Operator will submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating that appropriate mitigation will be completed, during the hydraulic stimulation of this well. This Form 42 shall be filed 48 hours prior to stimulation. A Bradenhead test will be performed on the offset wells listed below within 30 days prior to the beginning of stimulation of this well. Surface and production casing pressures of this offset well list will be actively monitored during stimulation of this well. Operator will assure that the offset well's bradenhead is open and actively monitored during the entire stimulation treatment of this pad– a person will monitor for any evidence of fluid. If there is indication of communication between the stimulation treatment and an offset well, treatment will be stopped and COGCC Engineering notified. BRENNAN *1 API (123-19400)
5 COAs	

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Storm Water/Erosion Control	Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with oil and gas development throughout the State of Colorado. BMPs will be constructed as necessary to prevent stormwater from leaving the construction site. BMPs used will vary according to the location, and will remain until the pad is reclaimed.
2	Material Handling and Spill Prevention	Spill Prevention Control and Countermeasures (SPCC) plans are in place to address any possible spill associated with oil and gas operations throughout the State of Colorado. <ul style="list-style-type: none">• Materials and fluids will be stored in a neat and orderly fashion.• Waste will be collected regularly and disposed of at an offsite facility.• Prompt cleanup is required of spills to minimize waste materials entering the stormwater runoff.• Drip pans will be used during fueling and maintenance to contain spills or leaks.• Cleanup of trash and discarded material will be done at the end of the work day.• Cleanup will consist of monitoring the road, location and any other work areas.• Material to be cleaned up includes trash, scrap, and contaminated soil.
3	Drilling/Completion Operations	Alternative Logging Program: 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 to 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 openhole logs shall clearly state "Alternative Logging Program - No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which openhole logs were run.

Total: 3 comment(s)

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
2168547	WELL LOCATION PLAT
402940198	FORM 2 SUBMITTED
402951038	DIRECTIONAL DATA
402951039	DEVIATED DRILLING PLAN
402951043	SURFACE AGRMT/SURETY
402990577	OffsetWellEvaluations Data
403174050	OFFSET WELL EVALUATION

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Added the Operator provided comment regarding the BHL to the Submit tab. Passed Final Review	09/20/2022

OGLA	Following OGLA review of this Oil and Gas Location it was determined that the proposed wells are located within Rule 1202.d High Priority Habitats for Mule Deer Severe Winter Range and Mule Deer Winter Concentration Area, as well as Rule 1202.c.(1). R. High Priority Habitat for Aquatic Native Species Conservation Waters. Operator consulted with CPW Regional Energy Liaison (Brandon Marette) via email between September 8-12 to develop site specific Best Management Practices (BMPs) that were agreed upon and submitted for the location by the Operator via Form 4 Sundry (Document #403162946) on 9/13/2022. CPW granted a waiver for the well work within the Rule 1202.c.R. High Priority Habitat via email (see attachments) due to the BMPs and other mitigation measures that included moving all chemical storage further than 500 feet from the Ordinary High Water Mark of North Pawnee Creek. The Director granted an exception to Rule 1202.c.(1).R on 9/15/2022. OGLA review complete.	09/16/2022
Permit	Passed Permit Review	09/06/2022
Permit	Received consent from the operator for the following: 1.Adding the refile COA for built locations 2.Uploading a new well location plat 3.Adding the name of the nearest well in the same formation 4.Adding the beyond the setback comment and COA 5. Updating the MD and TVD of the BPZ	08/31/2022
Permit	Requesting the following from the operator: 1.Adding the refile COA for built locations 2.A new plat since this one does not have the BHL footages 3.The name of the nearest well in the same formation 4.Adding the drilling beyond the setback COA and comment 5.Updatngt the MD and TVD of the BPZ	08/16/2022
Engineer	•Offset well review complete 408.t - No wells 408.u - No wells •Engineering review complete	08/01/2022
Engineer	Removed extra OWE spreadsheets from permit Email Operator for name of nearest non -op well. Received. Changed OBM to yes.	08/01/2022
Permit	IN PROCESS: operators form 9 has been approved.	07/28/2022
Permit	ON HOLD: This application has been reviewed by COGCC staff and cannot be approved based on the information submitted; therefore, the COGCC is placing this form ON HOLD until additional information is received from the applicant. In compliance with § 24-65.1-108(1), C.R.S., the COGCC is providing this written request for all additional information necessary for the COGCC to respond to this application. The applicant may provide all requested additional information to COGCC via email. Upon receipt of all requested information, the COGCC will have 60 days in which to approve, deny, or request all additional information necessary to complete the regulatory review. If the applicant no longer requires this application be approved, the applicant may request to withdraw the application. In addition to all standard required information and attachments, the COGCC hereby confirms the following information is necessary for review: 1. The location is still under the old operator and the form 9 needs to be approved before the APDs can be process	06/01/2022
Permit	RETURNED TO DRAFT: This application has been reviewed by COGCC staff and cannot be approved based on the information submitted; therefore, the COGCC is returning this form to DRAFT for the applicant to resolve the issues. In compliance with § 24-65.1-108(1), C.R.S., the COGCC is returning this application to the applicant to remedy the deficiencies. The applicant may resubmit this application for COGCC review; upon resubmittal of any application, the COGCC will have 60 days in which to approve, deny,	04/29/2022

	<p>or request all additional information necessary to complete the regulatory review.</p> <p>In addition to all standard required information and attachments, the COGCC hereby confirms the following information is necessary for review:</p> <p>1.The APD does not have a form 9 in process, still under the old operator</p>	
Permit	<p>RETURNED TO DRAFT: This application has been reviewed by COGCC staff and cannot be approved based on the information submitted; therefore, the COGCC is returning this form to DRAFT for the applicant to resolve the issues. In compliance with § 24-65.1-108(1), C.R.S., the COGCC is returning this application to the applicant to remedy the deficiencies. The applicant may resubmit this application for COGCC review; upon resubmittal of any application, the COGCC will have 60 days in which to approve, deny, or request all additional information necessary to complete the regulatory review.</p> <p>In addition to all standard required information and attachments, the COGCC hereby confirms the following information is necessary for review:</p> <p>1.The current wellbore is not compliance with the current spacing order (535-553) and cannot be process</p> <p>2.The WOGLA number and approval date is missing</p> <p>3.The check box if this APD is a 1041 is checked no but should be checked yes</p> <p>4.The Most Recent Surface Casing Pressure Reported is left blank</p>	02/24/2022

Total: 11 comment(s)