

State of Colorado

Energy & Carbon Management Commission

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(SUBMITTED)

Date Received:

02/27/2024

APPLICATION FOR PERMIT TO

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and OperateAmend ☐TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER: _____Refill ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: Coalbank Well Number: 5
Name of Operator: BAYSWATER EXPLORATION & PRODUCTION LLC COGCC Operator Number: 10261
Address: 730 17TH ST STE 500
City: DENVER State: CO Zip: 80202
Contact Name: Lauren Walsh Phone: (720)881-4502 Fax: ()
Email: lwalsh@bayswater.us

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): 20080034

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 Rule702.a.)

Amount of Federal Financial Assurance \$ _____

WELL LOCATION INFORMATION

Surface Location

QtrQtr: NESE Sec: 6 Twp: 7N Rng: 66W Meridian: 6

FNL/FSL

FEL/FWL

Footage at Surface: 2189 Feet FSL 399 Feet FELLatitude: 40.602407 Longitude: -104.812470GPS Data: GPS Quality Value: 1.4 Type of GPS Quality Value: PDOP Date of Measurement: 10/30/2022Ground Elevation: 5122Field Name: DJ HORIZONTAL NBRR-FH-CODL-CL Field Number: 16952Well 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: 5 Twp: 7N Rng: 66W Footage at TPZ: 2018 FNL 160 FWLMeasured Depth of TPZ: 7799 True Vertical Depth of TPZ: 7385 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)Sec: 4 Twp: 7N Rng: 66WFootage at BPZ: 1966 FNL 160 FELMeasured Depth of BPZ: 17977True Vertical Depth of BPZ: 7510 FNL/FSL FEL/FWL**Bottom Hole Location (BHL)**Sec: 4 Twp: 7N Rng: 66WFootage at BHL: 1966 FNL 160 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: 05/05/2023

Comments: 1041WOGLA22-0018 submitted 12/9/2022, approved 5/5/2023

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 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.)

Lot 1-7, S2NE, SENW, NESW, NESE; Sec 6, T7N, R66W

Total Acres in Described Lease: 545 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # _____

SAFETY SETBACK INFORMATION

Distance from Well to nearest:

Building: 2251 Feet
Building Unit: 2370 Feet
Public Road: 2178 Feet
Above Ground Utility: 443 Feet
Railroad: 5280 Feet
Property Line: 399 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	407-2752	1280	7N-66W:4,5

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: 160 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: 404 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: 17977 Feet

TVD at Proposed Total Measured Depth 7510 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: 660 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? 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	N/A	42	0	80	400	80	0
SURF	13+1/2	9+5/8	J55	36	0	1500	354	1500	0
1ST	8+1/2	5+1/2	P110	20	0	17977	2364	17977	2500

☐ 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	Quaternary Alluvium	0	0	19	19			
Groundwater	Laramie/Fox Hills	19	19	320	320	1001-10000	Other	CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	Upper Pierre	320	320	1444	1444	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	Pierre Shale	1444	1444	3900	3808			
Hydrocarbon	Parkman	3900	3808	4100	4098			
Confining Layer	Pierre Shale	4100	4098	4400	4382			
Hydrocarbon	Sussex	4400	4382	4600	4515			
Confining Layer	Pierre Shale	4600	4515	5000	4917			
Hydrocarbon	Shannon	5000	4917	5100	5036			
Confining Layer	Pierre Shale	5100	5036	7500	7297			
Confining Layer	Sharon Springs	7500	7297	7600	7336			
Hydrocarbon	Niobrara	7600	7336	17977	7510			The TVD of the deepest hydrocarbon zone is the bottom of the well and not the bottom of the formation. The formation is not planned to be exited.

OPERATOR COMMENTS AND SUBMITTAL

Comments: The nearest well in unit per 2-D calculation is the Coalbank 6 @ 404'.
The nearest outside operated well per 2-D vertical calculation is the Regina #7-66-3-10-6N (API: 05-123-46139) AP Status @ 660' E.

This application is in a Comprehensive Area Plan No CAP #: _____
Oil and Gas Development Plan Name Opal Coalbank Pad OGDID #: 485055
Location ID: 485762

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

Signed: _____ Print Name: Justin Garrett

Title: Sr. Regulatory Analyst Date: 2/27/2024 Email: regulatory@ascentgeomatics.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

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

0 COA

Best Management Practices

No BMP/COA Type

Description

1	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 open hole 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 open hole logs were run.
2	Drilling/Completion Operations	Blowout Prevention Equipment ("BOPE"): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low- and high-pressure fluid.
3	Drilling/Completion Operations	Bradenhead Monitoring: Operator acknowledges and will comply with COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.
4	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: 4 comment(s)

Attachment List

Att Doc Num

Name

403696325	OffsetWellEvaluations Data
403696328	DIRECTIONAL DATA
403696341	DEVIATED DRILLING PLAN
403696344	WELL LOCATION PLAT

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)

