

FORM
2

Rev
10/24

State of Colorado

Energy & Carbon Management Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

404065759

(SUBMITTED)

Date Received:

02/18/2025

APPLICATION FOR PERMIT TO

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

TYPE OF WELL OIL ☐ GAS ☒ COALBE ☐ GEOTHERMAL ☐ OTHER: _____

Refile ☐

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: Allison Unit Well Number: 630H
Name of Operator: HILCORP ENERGY COMPANY ECMC Operator Number: 10133
Address: P O BOX 61229
City: HOUSTON State: TX Zip: 77208
Contact Name: Amanda Walker Phone: (346)237-2177 Fax: ()
Email: mwalker@hilcorp.com

FINANCIAL ASSURANCE FOR PLUGGING, ABANDONMENT, AND RECLAMATION

ECMC Financial Assurance

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

Surety ID Number (if applicable): 20050122

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: L1 Sec: 20 Twp: 32N Rng: 6W Meridian: N

FNL/FSL

FEL/FWL

Footage at Surface: 554 Feet FNL 1635 Feet FWL

Latitude: 36.998536 Longitude: -107.521029

GPS Data: GPS Quality Value: 1.8 Type of GPS Quality Value: PDOP Date of Measurement: 05/14/2024

Ground Elevation: 6350

Field Name: IGNACIO BLANCO Field Number: 38300

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: 32N Rng: 6W Footage at TPZ: 649 FSL 1297 FEL
Measured Depth of TPZ: 7340 True Vertical Depth of TPZ: 6811 FNL/FSL FEL/FWL

Base of Productive Zone (BPZ)Sec: 22 Twp: 32N Rng: 6WFootage at BPZ: 613 FSL 1737 FELMeasured Depth of BPZ: 17473True Vertical Depth of BPZ: 6814

FNL/FSL

FEL/FWL

Bottom Hole Location (BHL)Sec: 22 Twp: 32N Rng: 6WFootage at BHL: 613 FSL 1737 FEL

FNL/FSL

FEL/FWL

LOCAL GOVERNMENT PERMITTING INFORMATIONCounty: LA PLATAMunicipality: 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 and §37-90.5-107(2)(b)(I) C.R.S, the following questions pertain to the Relevant Local Government approval of the siting of the proposed Oil and Gas or Deep Geothermal Locations.

The Energy and Carbon Management Act and the Geothermal Resources Act provide 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.

Does the Relevant Local Government regulate the siting of Oil and Gas and Deep Geothermal 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:

GEOTHERMAL

Well Overview

The following questions determine informational requirements based on Well type:

Which type of Geothermal Well is this? Select one of the following:

Will this well be constructed using cementing methodologies other than those listed in Rule 408.f?

If Yes, what method will be used:

Please describe the cementing method to be used in detail:

Geothermal Resource Units

Fill out the information below to submit an application for a Geothermal Resource Unit (GRU) as part of the current permit application. This may also be completed later using a Form 4 Sundry.

Will this Well be in an existing GRU?

Are you submitting your application for a new GRU as part of the current application?

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

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

Mineral Owner beneath this Well's Oil and Gas Or Deep Geothermal 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.)

T32N-R06W, NMPM
SEC 21: LOT 3 (32.12), SW/4 NE/4, SE/4 NW/4
La Plata County, CO

Total Acres in Described Lease: 112

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: 865 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| MANCOS | MNCS | 112-304 | 679 | See Comments |

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

Unit Number: 630H

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: 385 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: 1040 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

DSU No. 2:

Township 32 North, Range 6 West, N.M.P.M.

Section 20: Lots 1, 2, S/2 NE/4

Section 21: Lots 1, 2, 3, 4, S/2 N/2

Section 22: Lots 1, 2, 3, 4, S/2 NW/4, SW/4 NE/4

DRILLING PROGRAM

Proposed Total Measured Depth: 17473 Feet

TVD at Proposed Total Measured Depth 6814 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? 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 |
|-------------|--------------|----------------|-------|-------|---------------|---------------|-----------|---------|---------|
| SURF | 17+1/2 | 13+3/8 | J55 | 54.5 | 0 | 350 | 352 | 350 | 0 |
| 1ST | 12+1/4 | 9+5/8 | L80 | 43.5 | 0 | 6301 | 381 | 6301 | 0 |
| S.C. 1.1 | 12+1/4 | 9+5/8 | L80 | 43.5 | 0 | 6301 | 237 | 6301 | 5000 |
| 2ND | 8+1/2 | 5+1/2 | P110 | 20 | 0 | 17473 | 228 | 17473 | 5000 |
| S.C. 2.1 | 8+1/2 | 5+1/2 | P110 | 20 | 0 | 17473 | 2144 | 17473 | 6400 |

☒ 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 | OJO ALAMO | 2109 | 2084 | 2176 | 2150 | 501-1000 | USGS | POSSIBLE WATER |
| Confining Layer | KIRTLAND | 2176 | 2150 | 2616 | 2581 | 1001-10000 | USGS | GAS & WATER |
| Hydrocarbon | FRUITLAND | 2616 | 2581 | 2992 | 2950 | 1001-10000 | USGS | GAS & WATER |
| Hydrocarbon | PICTURED CLIFFS | 2992 | 2950 | 3520 | 3467 | | | POSSIBLE GAS |
| Confining Layer | LEWIS SHALE | 3520 | 3467 | 4981 | 4900 | | USGS | NONE |
| Hydrocarbon | CLIFFHOUSE | 4981 | 4900 | 5363 | 5274 | | USGS | POSSIBLE GAS & WATER |
| Confining Layer | MENEFEE | 5363 | 5274 | 5548 | 5455 | | USGS | NONE |
| Hydrocarbon | POINT LOOKOUT | 5548 | 5455 | 6077 | 5974 | | USGS | GAS |
| Hydrocarbon | MANCOS | 6077 | 5974 | 6277 | 6174 | | USGS | GAS |

OPERATOR COMMENTS AND SUBMITTAL

Comments SHL WILL BE IN THE STATE OF NEW MEXICO (API: 30-045-38410). BHL AND ALL PRODUCTION WILL BE FROM THE STATE OF COLORADO. SHL IS UL: F, LOT 3, SEC 12, T32N, R 7W

This application is in a Comprehensive Area Plan _____ CAP #: _____
Oil and Gas Development Plan Name _____ OGDID ID#: _____
Location ID: _____

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

Signed: _____ Print Name: Amanda Walker

Title: Regulatory Tech Sr. Date: 2/18/2025 Email: mwalker@hilcorp.com

Based on the information provided herein, this Application for Permit-to-Drill complies with ECMC Rules, applicable orders, and SB 19-181 and is hereby approved.

ECMC Approved: _____ Director of ECMC Date: _____
Expiration Date: _____

API NUMBER

05

CONDITIONS OF APPROVAL, IF ANY LIST

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 | |
|-------|--|

Operator Best Management Practices

No BMP/COA Type

Description

| | | |
|---|--------------------------------|--|
| 1 | Drilling/Completion Operations | Open-hole resistivity log with gamma-ray log will be run from the kick-off point into the surface casing. A cement bond log with gamma-ray log will be run if cement is not circulated to surface on the intermediate cement job, a cement bod log will be run to verify top of cement. The horizontal portion of the wellbore will be logged with a measured-while drilling gamma-ray. log. The Form 5, Completion Report, will list all logs run and have those logs attached. |
|---|--------------------------------|--|

Total: 1 comment(s)

ATTACHMENT LIST

Att Doc Num

Name

| | |
|-----------|----------------------------|
| 404065773 | APD APPROVED |
| 404066295 | DIRECTIONAL DATA |
| 404066368 | OffsetWellEvaluations Data |

Total Attach: 4 Files

General Comments

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

Total: 0 comment(s)

