

FORM

2

Rev  
12/05

## 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:

400398274

Date Received:

04/04/2013

## APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

## 2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER \_\_\_\_\_  
 SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☒Sidetrack ☐

PluggingBond SuretyID

20100130

3. Name of Operator: ELM RIDGE EXPLORATION CO LLC4. COGCC Operator Number: 266255. Address: 12225 GREENVILLE AVE STE 950City: DALLAS State: TX Zip: 75243-93626. Contact Name: Terry Lindeman Phone: (505)632-3476 Fax: (505)632-5151Email: tlindeman@elmridge.com7. Well Name: IGE Well Number: 116

8. Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

9. Proposed Total Measured Depth: 3309

## WELL LOCATION INFORMATION

10. QtrQtr: SENW Sec: 18 Twp: 33N Rng: 7W Meridian: NLatitude: 37.107135 Longitude: -107.653686

Footage at Surface: 1560 feet FNL 1640 feet FWL

11. Field Name: Ignacio Blanco Field Number: 3830012. Ground Elevation: 6537 13. County: LA PLATA

## 14. GPS Data:

Date of Measurement: 12/08/2006 PDOP Reading: 2.0 Instrument Operator's Name: Scott Wiebe15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: 953 FNL 1824 FWL Bottom Hole: 700 FNL 1900 FWL  
 Sec: 18 Twp: 33N Rng: 7W Sec: 18 Twp: 33N Rng: 7W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 3500 ft18. Distance to nearest property line: 173 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1400 ft

## 20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Fruitland Coal         | FRLCD          | 112-195                 | 320                           | W/2                                  |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: \_\_\_\_\_22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#:23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☒ No23b. If 23 is No: ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

SW/4SW/4 Sec. 7, SE/4SW/4 Sec. 15, N/2NW/4 Sec. 18, NE/4SE/4 Sec. 30, T33N, R7W, N.M.P.M.

25. Distance to Nearest Mineral Lease Line: 700 ft

26. Total Acres in Lease: 200

### DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☐ Offsite ☒ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: Closed loop. Bury onsite.

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Wt/Ft | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| SURF        | 12+1/4       | 8+5/8          | 24    | 0             | 262           | 400       | 262     | 0       |
| 1ST         | 7+7/8        | 5+1/2          | 17    | 0             | 3,304         | 503       | 3,304   | 0       |

32. BOP Equipment Type: ☐ Annular Preventer ☒ Double Ram ☐ Rotating Head ☐ None

33. Comments No conductor casing associated with this well. It will be located on an existing well pad. Very little ground disturbance will occur. Notification sent to Division of Wildlife March 27, 2013.

34. Location ID: 311899

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

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

Signed: \_\_\_\_\_ Print Name: Robert D. Joyce

Title: Agent Date: 4/4/2013 Email: jlr@animas.net

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 and applicable orders and is hereby approved.

COGCC Approved: Matthew Lee Director of COGCC Date: 5/9/2013

#### API NUMBER

05 067 09531 00

Permit Number: \_\_\_\_\_ Expiration Date: 5/8/2015

#### CONDITIONS OF APPROVAL, IF ANY:

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.

- 1) Provide 48 hour notice of spud via COGCC form 42
- 2) Provide cement coverage of production casing from TD to surface. Verify cement coverage with Cement Bond Log.
- 3) Run and submit Directional Survey from TD to kick-off point
- 4) The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the well bore complies with setback requirements in Commission orders and/or rules prior to producing the well.
- 5) Sample and test two closest water wells within 1/2 mile swath of the directional wellbore.
- 6) Operators are required to obtain a bottom hole pressure utilizing a bottom hole gauge after a minimum 48 hour shut-in period following completion and prior to sales
- 7) Comply with all applicable provisions of Order 112-195

### **Attachment Check List**

| Att Doc Num | Name                   |
|-------------|------------------------|
| 1857323     | SELECTED ITEMS REPORT  |
| 400398274   | FORM 2 SUBMITTED       |
| 400398308   | DEVIATED DRILLING PLAN |
| 400398318   | SURFACE AGRMT/SURETY   |
| 400398357   | DIRECTIONAL DATA       |
| 400398413   | WELL LOCATION PLAT     |
| 400398671   | OTHER                  |

Total Attach: 7 Files

### **General Comments**

| <b><u>User Group</u></b> | <b><u>Comment</u></b>  | <b><u>Comment Date</u></b> |
|--------------------------|--|----------------------------|
| Permit                   | Final review completed; no LGD or public comment received.                                     | 5/8/2013<br>12:05:57 PM    |
| Permit                   | No changes have been made from the previously approved Form 2.                                 | 5/7/2013<br>12:15:11 PM    |
| Permit                   | Returned to draft. Incorrect plugging bond number (20100130).<br>Location ID missing (311899). | 4/5/2013 1:05:38<br>PM     |

Total: 3 comment(s)

## **BMP**

| <b><u>Type</u></b> | <b><u>Comment</u></b>   |
|--------------------|---|
| Construction       | <p>The IGE 116 well location will be expanding to the North of the existing Ute T. G. U. #1 well into a relatively flat, non-irrigated field. Very little vegetation will be removed. Dirt from the excavation of the reserve pit will be stockpiled until interim reclamation. Straw wattles will be placed around the perimeter of the well pad during construction operations where appropriate to control runoff and prevent sediment from flowing beyond the perimeter of the previously disturbed area.</p> <p>All equipment will be painted with a uniform, non-reflective paint that is darker than the adjacent landscape.</p> <p>Any disturbed area that is outside the permanent well pad will reseeded with a weed-free seed mixture consistent with the surrounding area.</p> <p>Re-seeding will be done via drill seeding in flat areas and broadcast seeding on slopes. Reseeding will be done in spring or summer.</p> <p>Elm Ridge will control all noxious weeds as identified by the La Plata County weed technician.</p> <p>Elm Ridge will monitor the site after reclamation and spray for weeds where necessary. Methods of control will be pursuant to recommendations from the LaPlata County weed control technician</p> |

Total: 1 comment(s)