

FORM

2

Rev
08/16

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:

401205166

APPLICATION FOR PERMIT TO:

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

Date Received:

04/18/2017

TYPE OF WELL OIL ☒ GAS ☐ COALBED ☐ OTHER _____Refilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: Fairweather

Well Number: J31-630

Name of Operator: NOBLE ENERGY INC

COGCC Operator Number: 100322

Address: 1625 BROADWAY STE 2200

City: DENVER State: CO Zip: 80202

Contact Name: Justin Garrett

Phone: (303)228 4449

Fax: ()

Email: Justin.Garrett@nblenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030009

WELL LOCATION INFORMATION

QtrQtr: SESE Sec: 32 Twp: 5N Rng: 66W Meridian: 6

Latitude: 40.350730

Longitude: -104.797950

Footage at Surface: 661 Feet FNL/FSL FSL 1048 Feet FEL/FWL FEL

Field Name: WATTENBERG

Field Number: 90750

Ground Elevation: 4758

County: WELD

GPS Data:

Date of Measurement: 12/09/2016 PDOP Reading: 1.3 Instrument Operator's Name: Brian Rottinghaus

If well is ☐ Directional ☒ Horizontal (highly deviated) submit deviated drilling plan.

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL

 1420 FSL 1005 FEL 1320 FSL 460 FWL
 Sec: 32 Twp: 5N Rng: 66W Sec: 31 Twp: 5N Rng: 66W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ IndianThe Surface Owner is: ☒ is the mineral owner beneath the location.

(check all that apply)

☒ is committed to an Oil and Gas Lease.☒ has signed the Oil and Gas Lease.☐ is the applicant.The Mineral Owner beneath this Oil and Gas Location is: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: oil and gas lease

Surface damage assurance if no agreement is in place:

Surface Surety ID:

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

Please see attached lease description

Total Acres in Described Lease: 206 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1168 Feet

Building Unit: 1193 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 585 Feet

Above Ground Utility: 556 Feet

Railroad: 5280 Feet

Property Line: 265 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- 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, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: ☐ Buffer Zone
☐ Exception Zone
☐ Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 141 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CODELL	CODL	407-2114	2560	Sec 34,33,32,31:All

DRILLING PROGRAM

Proposed Total Measured Depth: 16770 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: 365 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 Operations Plan)

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

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 318A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Commercial Disposal

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Drilling waste disposal information added to address non-oil based mud and fluids used in non-producing portion of wellbore.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: _____ or Document Number: 2614238

CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	26	16	42	0	80	6	80	0
SURF	13+3/4	9+5/8	36	0	1850	658	1850	0
1ST	8+1/2	5+1/2	20	0	16770	2193	16770	

☐ Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- ☐ Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- ☐ Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- ☐ Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- ☐ Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- ☒ Rule 318A.a. Exception Location (GWA Windows).
- ☒ Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

☐ Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____

OTHER LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318.c. Exception Location from Rule or Spacing Order Number _____
- ☐ Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments

Well is part of the 10-well J32-15 Pad, consisting of the proposed Fairweather J31-635 – Ref. Well (Doc #401205164), Fairweather J31-630 (Doc #401205166), Fairweather J31-625 (Doc #401205167), Fairweather J31-620 (Doc #401205168), Fairweather J31-615 (Doc #401205169), Fairweather J32-635 (Doc #401205170), Fairweather J32-630 (Doc #401205173), Fairweather J32-625 (Doc #401205174), Fairweather J32-620 (Doc #401205175), & Fairweather J32-615 (Doc #401205176). The proposed wells will produce to the proposed J32 Tank (Doc #401205178). Noble Energy shall isolate both the Fox Hills and Upper Pierre Aquifers with surface casing from hydrocarbon bearing zones and exposure to oil based drilling fluid. Noble Energy also agrees to not expose the UPAq to oil based mud.

Nearest well in the same formation is the proposed Fairweather J32-630 at 141'.
Nearest outside operated well is the Cache Exploration operated Raith #1 (API: 123-11272) 365' S.
Wellbore to wellbore distances calculated using COGCC GIS and scout card data.

Waiver language is included in attached SUA (Page 4, Section 6.A).

This application is in a Comprehensive Drilling Plan _____ No _____ CDP #: _____

Location ID: _____

Is this application being submitted with an Oil and Gas Location Assessment application? _____ Yes _____

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: Regulatory Analyst _____ Date: 4/18/2017 _____ Email: RegulatoryNotification@nblene _____

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:  _____ Director of COGCC Date: 9/29/2017 _____

Expiration Date: 09/28/2019 _____

API NUMBER

05 123 45573 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.

COA Type	Description
	<p>Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test:</p> <ol style="list-style-type: none"> 1) Within 60 days of rig release and prior to stimulation or 2) If a delayed completion, 6-7 months after rig release and prior to stimulation. 3) Within 30 days after first production, as reported on Form 5A.
	<ol style="list-style-type: none"> 1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 48 hour spud notice for all subsequent wells drilled on the pad. 2) Comply with Rule 317.j and provide cement coverage from the end of production casing to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
	<p>Operator acknowledges the proximity of the listed non-operated wells: Operator agrees to: provide mitigation option 3 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OFFSET MITIGATION COMPLETED") for the remediated wells, referencing the API number of the proposed horizontal well(s) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of these wells.</p> <p>API NO: 123-07274, SHABLE UNIT 1 API NO: 123-12026, BERNHARDT 1 API NO: 123-11272, RAITH 1 API NO: 123-14825, DOS RIOS J 33-15 API NO: 123-18498, UPRC 31-14H6</p>
	<p>Operator acknowledges the proximity of the listed wells: Operator agrees to: provide mitigation option 3 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OFFSET MITIGATION COMPLETED") for the remediated wells, referencing the API number of the proposed horizontal well(s) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of these wells.</p> <p>API NO: 123-15470, State N 36-09 API NO: 123-14857, SPOMER 2 API NO: 123-14858, SPOMER 3 API NO: 123-18239, UPRC 5-416</p>
	<p>Operator acknowledges the proximity of the following non-operated listed wells: Operator agrees to: provide mitigation option 1 or 2 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OFFSET MITIGATION COMPLETED") for the remediated wells, referencing the API number of the proposed horizontal well(s) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of these wells.</p> <p>API NO: 123-13485, MOSSBERG UP 7-31 API NO: 123-13810, GARCIA 1-5 API NO: 123-16680, RAITH 2 API NO: 123-16681, RAITH 3 API NO: 123-16682, RAITH 4 API NO: 123-29129, SUPREME CAMP-CAMENISCH 1-4B API NO: 123-15234, DOS RIOS J 33-10</p>

Operator acknowledges the proximity of the listed wells: Operator agrees to: provide mitigation option 1 or 2 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OFFSET MITIGATION COMPLETED") for the remediated wells, referencing the API number of the proposed horizontal well(s) stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of these wells.

API NO: 123-10950, CAMENISCH-UPRR 1-3
API NO: 123-16430, CAMENISCH - SUPREME CAMP 4-3
API NO: 123-16524, WERNING 41-3
API NO: 123-18672, WERNING 2-3
API NO: 123-26460, CAMENISCH-UPRR 1-3B
API NO: 123-10609, SUPREME CAMP-CAMENISCH 1-4
API NO: 123-13253, ALVA SHABLE 1-4
API NO: 123-16335, CAMENISCH - SUPREME CAMP 2-4
API NO: 123-16843, HSR-GUY SHABLE, INC. 4-4
API NO: 123-26139, CAMENISCH-SUPREME CAMP 4-3B
API NO: 123-16338, GARCIA 31-5
API NO: 123-17984, UPRC 5-3I6
API NO: 123-30587, GARCIA J 33-33D
API NO: 123-30672, GARCIA K 04-30D
API NO: 123-13995, BERNHARDT-PM K6-4
API NO: 123-17367, BERNHARDT 1-11
API NO: 123-18497, UPRC 31-13H6
API NO: 123-20068, UPRC J 31-6
API NO: 123-22425, UPRC J 31-14
API NO: 123-22538, UPRC J 31-25
API NO: 123-23227, STEPHENS J 31-16
API NO: 123-23228, STEPHENS J 31-15
API NO: 123-23297, STEPHENS J 31-9
API NO: 123-23301, STEPHENS J 31-23
API NO: 123-26973, BERNHARDT J 31-33D
API NO: 123-28163, BERNHARDT J 31-20D
API NO: 123-29102, BERNHARDT J 31-22D
API NO: 123-12749, SPOMER 9-32
API NO: 123-12755, GARCIA 1
API NO: 123-13672, SPOMER 10-32
API NO: 123-18031, SPOMER 32-16H6
API NO: 123-11694, DOS RIOS 1-33
API NO: 123-12149, SPOMER 33-12
API NO: 123-14006, LESSER-PM J33-7
API NO: 123-14007, LESSER-PM J 33-8
API NO: 123-14327, SPOMER-BC J 33-11
API NO: 123-14328, SPOMER-BC J 33-13
API NO: 123-14334, SPOMER BCJ 33-14
API NO: 123-14860, SPOMER 1
API NO: 123-16257, CAMENISCH 33-15H6
API NO: 123-18374, DOS RIOS 33-10H6
API NO: 123-21708, SPOMER BC J 33-25
API NO: 123-26029, CAMENISCH-DOS RIOS 16-33B
API NO: 123-26246, CAMENISCH-STRAIGHT 13-34B
API NO: 123-27144, ALLELY J 33-24D
API NO: 123-12984, RUMSEY 16-34
API NO: 123-13039, DOS RIOS 14-34
API NO: 123-14290, POST HOLE 1-34
API NO: 123-16457, DOS RIOS 11-34
API NO: 123-16522, CAMENISCH - STRAIGHT 13-34
API NO: 123-16740, DOS RIOS 43-34
API NO: 123-18375, DOS RIOS 34-8H6
API NO: 123-18376, DOS RIOS 34-7H6
API NO: 123-24903, DOS RIOS 12-34A
API NO: 123-30055, DOS RIOS 5-34A
API NO: 123-30057, DOS RIOS 6-34A

Best Management Practices

No	<u>BMP/COA Type</u>	<u>Description</u>
1	General Housekeeping	Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup is required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each work day. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pickup trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.
2	Storm Water/Erosion Control	Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE) General Permit No. COR- 038637. BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. BMP's used will vary according to the location, and will remain in place and maintained until the pad reaches final reclamation.
3	Material Handling and Spill Prevention	Spill Prevention Control and Countermeasures (SPCC) plans are in place to address any possible spill associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR 112.
4	Drilling/Completion Operations	<p>Anti-collision: Prior to drilling operations, Operator will perform an anti-collision scan of existing offset wells that have the potential of being within close proximity of the proposed well. This anti-collision scan will include definitive MWD or gyro surveys of the offset wells with included error of uncertainty per survey instrument, and compared against the proposed wellpath with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottomhole location. The proposed well will only be drilled if the anti-collision scan results indicate that there is not a risk for collision, or harm to people or the environment. For the proposed well, upon conclusion of drilling operations, an as-constructed gyro survey will be submitted to COGCC with the Form 5.</p> <p>During and Post stimulation: Noble Energy will comply with the COGCC Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated 5/29/12</p>
5	Drilling/Completion Operations	<p>When Using an Existing Well's Log as an Exception: One of the first wells drilled on the pad will be logged with cased-hole pulsed neutron log with gamma ray log from 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 shall clearly state "No open-hole logs were run" and shall reference the Rule 317.p Exception granted for the well.</p>
6	Drilling/Completion Operations	If a skid is performed for the subject well, then the only required BOPE tests are for the BOPE connection bonnet seal breaks, as long as a full BOPE test was performed at the beginning of the pad, and as long as all necessary BOPE tests are completed at least every 30 days during the pad operations.

Total: 6 comment(s)

Applicable Policies and Notices to Operators

Policy
Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf
Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area. http://cogcc.state.co.us/documents/reg/Policies/PolicyGwaBradenheadMonitoringFinal.pdf

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401205166	FORM 2 RESUBMITTED
401234272	FORM 2 SUBMITTED
401234273	FORM 2 REJECTED
401257921	OffsetWellEvaluations Data
401257927	DIRECTIONAL DATA
401257935	DEVIATED DRILLING PLAN
401257936	LEGAL/LEASE DESCRIPTION
401257937	WELL LOCATION PLAT
401257938	SURFACE AGRMT/SURETY
401257939	EXCEPTION LOC REQUEST
401257940	OPEN HOLE LOGGING EXCEPTION
401261819	FORM 2 SUBMITTED
401416649	OFFSET WELL EVALUATION

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed	09/28/2017
Permit	Operator requested Exception to Open Hole Logging Rule 317.p. See attached. Surface Use Agreement has waivers for Rule 318A.a & 318A.c. See page 4, Section 6. Paragraph A. With operators concurrence changed the Distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation 0' to 141'. And added the Spacing order. Permitting Review Complete.	09/28/2017
Engineer	Offset Wells Evaluated	07/28/2017
Permit	Passed Completeness	04/25/2017
Permit	REJECTION COMMENT: This APD is being rejected per the Rejection Process criteria that a pad of Form 2's requiring a total of four or more attachments to be added will be rejected. This pad requires a complete and accurate Offset Well Evaluation spreadsheet for a total of (25) APD's. The Operator and COGCC staff have been consulted.	03/15/2017
Permit	Passed completeness.	02/28/2017
Permit	Return to draft: * Redact Lease. * Update wording on Open Hole Logging Exception Request.	02/24/2017

Total: 7 comment(s)