

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:

401488939

APPLICATION FOR PERMIT TO:

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

Date Received:

12/18/2017

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____

Refiling ☒

ZONE TYPE SINGLE ZONE ☐ MULTIPLE ZONES ☒ COMMINGLE ZONES ☒

Sidetrack ☐

Well Name: Casement

Well Number: 2

Name of Operator: BROWN OIL & GAS LLC

COGCC Operator Number: 11001

Address: 10481 COUNTY ROAD 20.5

City: STERLING State: CO Zip: 80751

Contact Name: Mark T. Brown

Phone: (970)522-1072

Fax: (970)521-0187

Email: brown_oil_and_gas@hotmail.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20100159

WELL LOCATION INFORMATION

QtrQtr: SWSE Sec: 8 Twp: 11N Rng: 54W Meridian: 6

Latitude: 40.936920

Longitude: -103.427370

Footage at Surface: 694 Feet FNL/FSL FSL 2055 Feet FEL/FWL FEL

Field Name: SCARP

Field Number: 76700

Ground Elevation: 4310

County: LOGAN

GPS Data:

Date of Measurement: 03/13/2013 PDOP Reading: 1.9 Instrument Operator's Name: C. Vanmatre

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

Sec: Twp: Rng: Sec: Twp: Rng:

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

The 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: Surface Use Agreement

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.)

Total Acres in Described Lease: 2090 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: 694 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 4497 Feet
Building Unit: 4497 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 630 Feet
Above Ground Utility: 400 Feet
Railroad: 5280 Feet
Property Line: 2300 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: 1366 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary _____ 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.)
D SAND	DSND			
J SAND	JSND			

DRILLING PROGRAM

Proposed Total Measured Depth: 5310 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? No

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? No

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 N/A

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Evaporation

Cuttings Disposal: ONSITE Cuttings Disposal Method: Drilling pit

Other Disposal Description:

Drilling fluids will be directed to a pit onsite.
Cuttings disposal will go to a pit as well then spread on location.

Beneficial reuse or land application plan submitted? No

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

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	159	0	159	0
1ST	7+7/8	4+1/2	11.6	0	5310	790	5310	0

☒ 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

☐

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

This will be a re-entry of a previously drilled well. This well has also been previously permitted by SingleTree Resources., so it is a re-entry and a re-filing. The well currently has the surface casing installed and in order to cover additional zones near the surface casing shoe, the production casing will be cemented in the full annulus in order to isolate the upper zones.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 389047

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: Mark T. Brown

Title: President Date: 12/18/2017 Email: brown_oil_and_gas@hotmail.c

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: 5/7/2018

Expiration Date: 05/06/2020

API NUMBER

05 075 07105 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**

- 1) If completed, provide cement coverage from TD to a minimum of 200' above D-Sand and from 730' to 50' above surface casing shoe. Verify coverage with cement bond log.
- 2) If dry hole, set 40 sks cement at top of J-Sand, 40 sks cement at top of D-Sand, 50 sks cement ½ out, ½ in surface casing, 15 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	This well will be a washdown or a re entry. We will not be doing a new logs on the Casement. We will use the logs that were previously ran.

Total: 1 comment(s)

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.
http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401488939	FORM 2 SUBMITTED

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	04/26/2018
Engineer	Requirement for remedial cement from 730' up is due to DIL this well and WW Receipt=9044749, Permit=0040935, located NWNW 23-11N-54W, 597' deep, same ground surface elevation.	04/25/2018
Permit	Corrected cultural distances according to the 2A as revised during talks between OGLA and operator.	04/24/2018
Permit	Passed Completeness. Per phone call (2/15/2018) with the Operator, the following corrections were made: - "Well Name & Contact Info" tab: the Plugging and abandonment Bond ID was corrected	02/15/2018
Permit	Returned to draft for: - "Well Name & Contact Info" tab: the Plugging and abandonment Bond ID listed of "15475" is not a valid Bond ID - "Surface & Minerals" tab: the "Minerals beneath this Oil and Gas Location will be developed by this well" is BLANK - "Cultural Setbacks" tab: 450 feet is listed as the distance to multiple cultural items (building, building unit, public road, etc) which is inconsistent with satellite photography of the given well location - "Operator BMP/COA" tab: missing rule 317.p. BMP - is the location/pad for this already built? If not, there will need to be a Form 2A submitted and referenced on the "Related Forms" tab	12/26/2017

Total: 5 comment(s)