

FORM  
2

Rev  
08/13

## 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:

400860429

Date Received:

07/18/2015

#### APPLICATION FOR PERMIT TO:

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

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER \_\_\_\_\_

Refiling ☒

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐

Sidetrack ☐

Well Name: SKR-698-09-BV

Well Number: 03

Name of Operator: CHEVRON USA INC

COGCC Operator Number: 16700

Address: 6001 BOLLINGER CANYON RD

City: SAN RAMON

State: CA

Zip: 94583

Contact Name: Julie Justus

Phone: (970)257-6042

Fax: (970)245-6489

Email: jjustus@chevron.com

#### RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 19810003

#### WELL LOCATION INFORMATION

QtrQtr: NWSE Sec: 9 Twp: 6S Rng: 98W Meridian: 6

Latitude: 39.545766

Longitude: -108.332107

Footage at Surface: 2016 feet FNL/FSL FSL 1694 feet FEL/FWL FEL

Field Name: SKINNER RIDGE

Field Number: 77548

Ground Elevation: 5856

County: GARFIELD

GPS Data:

Date of Measurement: 12/10/2007 PDOP Reading: 2.8 Instrument Operator's Name: Ivan Martin

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

Footage at Top of Prod Zone: FNL/FSL FSL 2053 FSL 2008 FEL 2053 FSL 2008 FEL  
Sec: 9 Twp: 6S Rng: 98W Sec: 9 Twp: 6S Rng: 98W

#### 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: applicant is owner

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.)

See Lease Map DocNum 2009097

Total Acres in Described Lease: 6960 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: 330 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1260 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 1260 Feet

Above Ground Utility: 1260 Feet

Railroad: 5280 Feet

Property Line: 290 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 Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 278 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.)
WILLIAMS FORK	WMFK	510-24		

## DRILLING PROGRAM

Proposed Total Measured Depth: 6079 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 278 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H<sub>2</sub>S 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 609

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Drilling pit

Other Disposal Description:

Beneficial reuse or land application plan submitted?

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
CONDUCTOR	26	16	36.95	0	119		119	0
SURF	12+1/4	8+5/8	24	0	1000	271	1000	0
1ST	7+7/8	4+1/2	11.6	0	6079	1017	6079	800

☐ 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 Chevron U.S.A. Inc. owns surface and mineral in Fee. No changes to previously approved APD are proposed in this filing. 1) The well pad has been constructed and conductors have been set; 2) Pits have been constructed; 3) No additional expansion or surface disturbance is required for this well pad; 4) No variance is being sought in relation to this well pad; and 5) there are no wildlife restrictions associated with this location.

The existing well pad is actively monitored for noxious weeds and erosion control.

Chevron is refiling this APD in accordance with the previously approved 2008 drilling plans: APD DocNum 1889779; Directional Survey DocNum 2009098. Future plans for this well are currently being evaluated. There is no scheduled date for drilling at this time.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 336051

Is this application being submitted with an Oil and Gas Location Assessment application? No

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

Signed: \_\_\_\_\_ Print Name: Julie Justus

Title: Regulatory Specialist Date: 7/18/2015 Email: jjustus@chevron.com

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: 9/21/2015

Expiration Date: 09/20/2017

**API NUMBER**

05 045 17432 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)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice.

2)Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: All field notice requirements specified in that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1). See attached notice.

3)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesa Verde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.

4)The Operator shall monitor the bradenhead pressure of the proposed well and all offset wells under Operator's control which penetrate the stimulated formation and have a treated interval separation of 300 feet or less. Monitoring shall occur from 24 hours prior to stimulation and shall continue until 24 hours after stimulation is complete. Recording shall be at a frequency of at least once per 24 hours with the capability of recording the maximum pressure observed during each 24 hour period. Operator shall notify COGCC Engineering staff if bradenhead pressures increase by more than 200 psig.

## **Best Management Practices**

<b>No</b>	<b>BMP/COA Type</b>	<b>Description</b>
1	Drilling/Completion Operations	One of the first wells drilled on the pad will be logged with open-hole Resistivity Log and Gamma Ray Log from TD 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 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 "No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run.

Total: 1 comment(s)

## **Applicable Policies and Notices to Operators**

Piceance Rulison Field - Notice to Operators.
NW Colorado Notification Policy.
Notice Concerning Operating Requirements for Wildlife Protection.

## **Attachment Check List**

<b>Att Doc Num</b>	<b>Name</b>
400860429	FORM 2 RESUBMITTED
400879765	FORM 2 SUBMITTED
400879766	FORM 2 REJECTED
400884721	DIRECTIONAL DATA
400884831	FORM 2 SUBMITTED
400885959	PLAT
400885961	DEVIATED DRILLING PLAN
400885963	FORM 2 RESUBMITTED

Total Attach: 8 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Spacing order does not create a unit. Removed distance to unit boundary as per opr. Final review complete.	9/14/2015 2:16:05 PM
Permit	Deviated drilling plan and plat are now attached and correct wellbore path to what was previously submitted. Form passes completeness.	8/19/2015 10:26:37 AM
Permit	Deviated Drilling Plan & plat did not get attached. Opr notified and forms returned to draft.	8/18/2015 7:11:38 AM
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 missing Xcel directional template, deviated drilling plan, and well location plat to be attached to a total of four APD's. Operator and COGCC staff have been consulted.	3/4/2015 3:34:39 PM
Engineer	Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information was used in addition to locally-available geophysical logs and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 135 feet. Evaluated existing offset wells within 1,500 feet of this wellbore. Offset wells target the Williams Fork formation. No mitigation required. Changed casing/liner top to 0' with operator concurrence.	3/3/2015 1:28:39 PM
Permit	Passed completeness.	7/31/2015 11:04:13 AM
Permit	Returned to draft. 1.) If the right to construct is "applicant is owner" than no surface surety is required. 2.) Water well sampling cannot be N/A for this well.	7/23/2015 3:34:11 PM
Permit	Returned to DRAFT. Rule 317.p BMP missing, revise lease description and remove related Form 4.	7/20/2015 12:05:10 PM

Total: 8 comment(s)