

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:
401589739
(SUBMITTED)

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

TYPE OF WELL OIL GAS COALBED OTHER _____ Refilling
ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Date Received:

Well Name: Campion Well Number: 32-31 #1H
Name of Operator: MAGPIE OPERATING, INC COGCC Operator Number: 52530
Address: 2707 SOUTH COUNTY RD 11
City: LOVELAND State: CO Zip: 80537
Contact Name: Ryan Warner Phone: (970)669 6308 Fax: (970)669 6396
Email: magpieoil@yahoo.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20080124

WELL LOCATION INFORMATION

QtrQtr: Lot 2 Sec: 5 Twp: 4N Rng: 68W Meridian: 6
Latitude: 40.348218 Longitude: -105.030970
Footage at Surface: 386 Feet FNL/FSL FNL 1850 Feet FEL/FWL FWL
Field Name: LOVELAND Field Number: 52000
Ground Elevation: 5068 County: WELD
GPS Data:
Date of Measurement: 01/05/2018 PDOP Reading: 1.6 Instrument Operator's Name: Charles Scott
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
 1320 FSL 610 FEL 1320 FSL 610 FWL
 Sec: 32 Twp: 5N Rng: 68W Sec: 31 Twp: 5N Rng: 68W

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: 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 map.

Total Acres in Described Lease: 372 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: 1135 Feet
 Building Unit: 1201 Feet
 High Occupancy Building Unit: 5280 Feet
 Designated Outside Activity Area: 5280 Feet
 Public Road: 374 Feet
 Above Ground Utility: 408 Feet
 Railroad: 5280 Feet
 Property Line: 386 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: 192 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 610 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

4N-68W Sec 5: W/2NE/4, NW/4, N/2SW/4, NW/4SE/4; Sec 6: N/2
 4N-69W Sec 1: E/2NE/4
 5N-68W Sec 19: S/2; Sec 20: W/2SW/4, S/2S/2, NW/4SE/4, S/2S/2, N/2SE/4, SE/4SW/4, S/2SE/4; Sec 29-32: All
 5N-69W Sec 25: Small parcel in E/2E/2SE/4

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	384-3	3280	see above

DRILLING PROGRAM

Proposed Total Measured Depth: 16367 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: 594 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:

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	36	30	0	0	40	120	40	0
SURF	13+1/2	9+5/8	36	0	850	480	850	0
1ST	8+3/4	7	26	0	7001	975	7001	0
1ST LINER	6+1/8	4+1/2	20	0	16367	1530	16367	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

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 317.p

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 Nearest wellbore in formation from anti-collision survey is the Saulcy-Gentry #1 (API: 05-069-06236).
Nearest permitted or existing wellbore belonging to another operator is the Anderson #1 (API: 05-069-05297) PA Status per anti-collision.
Exception location language is in attached SUA (Page 4, paragraph 10.3).

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: _____ Email: regulatory@ascentgeomatics.c

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: _____

API NUMBER

05

Expiration Date: _____

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.

<u>COA Type</u>	<u>Description</u>

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	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 well path with its respective error of uncertainty. If current surveys do not exist for the offset wells, Operator may have gyro surveys conducted to verify bottom hole 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.
2	Drilling/Completion Operations	Anti-collision: Operator will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling.
3	Drilling/Completion Operations	Operator acknowledges and will comply with COGCC policy for Bradenhead Monitoring during Hydraulic Fracturing treatments in the Greater Wattenberg Area dated May 29, 2012.
4	Drilling/Completion Operations	One of the first wells drilled on the pad will be logged with Cased-hole Pulsed Neutron with Gamma Ray Log from kick off point into the surface casing. All wells will have a Cement Bond Log with Gamma Ray on production casing into the surface. The horizontal portion of the well may be logged with a logging-while-drilling log. Proper notification will be provided on the Form 5 Completion report in the event that wells are logged in the horizontal section, or statement indicating that no open-hole logs were run.

Total: 4 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401594549	OffsetWellEvaluations Data
401641980	DIRECTIONAL DATA
401641982	DEVIATED DRILLING PLAN
401641985	SURFACE AGRMT/SURETY
401641988	WELL LOCATION PLAT
401641990	LEASE MAP
401641999	EXCEPTION LOC REQUEST
401642001	OPEN HOLE LOGGING EXCEPTION

Total Attach: 8 Files

General Comments

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

Total: 0 comment(s)

Public Comments

No public comments were received on this application during the comment period.

