

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:

401728495

(SUBMITTED)

Date Received:

08/09/2018

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER UnplannedRefilling ☐ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☒Well Name: CCWell Number: 0697-03-17EName of Operator: LARAMIE ENERGY LLCCOGCC Operator Number: 10433Address: 1401 SEVENTEENTH STREET #1400City: DENVERState: COZip: 80202Contact Name: Joan ProulxPhone: (970)263-3641Fax: ()Email: jproulx@laramie-energy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120081

WELL LOCATION INFORMATION

QtrQtr: Lot 11 Sec: 3 Twp: 6S Rng: 97W Meridian: 6Latitude: 39.558216Longitude: -108.205129
 Footage at Surface: 2246 Feet FNL/FSL FNL 2351 Feet FEL/FWL FEL
Field Name: GRAND VALLEYField Number: 31290Ground Elevation: 8438County: GARFIELD

GPS Data:

Date of Measurement: 06/23/2017 PDOP Reading: 1.3 Instrument Operator's Name: T SherrillIf well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL FNL/FWL Bottom Hole: FNL/FSL FEL/FWL
2992 FSL 1312 FEL 2992 FSL 1312 FEL
 Sec: 3 Twp: 6S Rng: 97W Sec: 3 Twp: 6S Rng: 97W

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 ☐ IndianThe Minerals beneath this Oil and Gas Location will be developed by this Well: YesThe 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 attached mineral lease map

Total Acres in Described Lease: 12120 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: 1312 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 5280 Feet
Above Ground Utility: 3599 Feet
Railroad: 5280 Feet
Property Line: 1094 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: 329 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 1312 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-ILES	WFILS	510-70	871	Sec 3: All

DRILLING PROGRAM

Proposed Total Measured Depth: 10110 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? 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? 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: OFFSITE

Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE

Cuttings Disposal Method: Other

Other Disposal Description:

See attached Cuttings Management Plan

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	20	112	0	60	100	60	0
SURF	14+3/4	9+5/8	36	0	2575	1422	2575	0
1ST	8+3/4	4+1/2	11.6	0	10110		10110	2030

☐ 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

Surface Casing: 9-5/8" 36# J-55 set @ 2575' MD / 2461' TVD
Surface Cement: Pumped 1015sx of 12.3ppg lead and 292sx of 12.8ppg tail. Performed Top Job of 115sx (25bbls) of 15.6ppg Neat G and held solid.
Original Well TD: 7883' MD / 7492' TVD (Williams Fork)
Planned Sidetrack Depth: 3200' MD / 3049' TVD
Prog G Sand: 4940' MD / 4733' TVD
Pro Fort Union: 5161' MD / 4943' TVD
Prog Ohio Creek: 6773' MD / 6477' TVD
Prog Williams Fork: 6970' MD / 6665' TVD
Prog Corcoran: 10,110' MD / 9788' TVD
Prog TD: 10,432' MD / 10,110' TVD (Lower Corcoran)

- Drilled to 7883' when string packed off and lost circulation due to rig downtime.
- Back reamed out of the hole to 4550' MD. Tight spots at 7680', 6780', 5200', and 4980'.
- Attempted to wash and ream hole, and hit solid bridge at 4850'. Hole was unloading and appears to be collapsed. This resulted in an unplanned sidetrack.

Procedure:

1. PU ~960' of 2-7/8" tubing stinger with diverter on the end.
2. MU cross over to 5" DP and TIH to set depth of plug #1 at 4400' above collapsed zone.
3. Establish circulation and ensure there are no packoff concerns and full circulation.
4. RU cements and test lines. Pump abandonment plug #1 from 4400'-3800'
 - a. 43bbls of 11ppg CD Spacer
 - b. 340sacks of 15.8ppg Neat G cement at 1.15ft3/sk – 69bbls @ 10% XS over 10.4" hole
 - c. 5bbls of 11ppg CD spacer behind
 - d. Displace with 58bbls of mud (cut displacement shy by a barrel or two to pull dry)
5. Slowly pull out of plug at 30fpm to 3700'. Circulate cement out of the hole, down DP.
6. Establish circulation and ensure pipe movement is free prior to pumping cement.
7. Pump kick off plug #2 from 3700'-3100'.
 - a. 47.3bbls of 11ppg CD Spacer
 - b. 360sacks of 17.0ppg Class G cement at 0.99ft3/sk – 63bbls @ 0% XS
 - c. 5bbls of 11ppg CD spacer behind
 - d. Displace with 46bbls of mud (cut displacement shy by a barrel or two to pull dry)
8. Slowly pull out of plug at 30fpm to ~500' above planned top. Circulate cement out down DP.
9. LD tubing string.
10. PU directional tools and WOC for 10hrs prior to tagging plug.
11. TIH and tag plug. Begin attempting sidetrack as per approved sidetrack directional plan.

Email approval to plug back and sidetrack received from Craig Burger on 8/8/2018.

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

Location ID: 452807

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: Joan Proulx

Title: Regulatory Analyst Date: 8/9/2018 Email: jproulx@laramie-energy.com

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

05 045 23797 01

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.

COA Type

Description

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Best Management Practices

No BMP/COA Type

Description

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 will state "No open-hole logs were run" and will clearly identify the type of log and the well (by API#) in which open-hole logs were run.
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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>
401728495	FORM 2 SUBMITTED
401728500	WELLBORE DIAGRAM
401728501	WELLBORE DIAGRAM
401728502	WELL LOCATION PLAT
401728504	OTHER
401728539	DEVIATED DRILLING PLAN
401728541	DEVIATED DRILLING PLAN
401728545	DIRECTIONAL DATA

Total Attach: 8 Files

General Comments

User Group

Comment

Comment Date

		Stamp Upon Approval
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Total: 0 comment(s)

Public Comments

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

