

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:  
401929062

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: Bost Farm Well Number: 32N-11B-L  
Name of Operator: SRC ENERGY INC COGCC Operator Number: 10311  
Address: 1675 BROADWAY SUITE 2600  
City: DENVER State: CO Zip: 80202  
Contact Name: Erin Ekblad Phone: (720)616.4319 Fax: (720)616.4301  
Email: eekblad@srcenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20090043

WELL LOCATION INFORMATION

QtrQtr: SWNW Sec: 7 Twp: 5N Rng: 66W Meridian: 6  
Latitude: 40.414152 Longitude: -104.828580  
Footage at Surface: 2666 Feet FNL/FSL FSL 1054 Feet FEL/FWL FWL  
Field Name: WATTENBERG Field Number: 90750  
Ground Elevation: 4877 County: WELD  
GPS Data:  
Date of Measurement: 08/09/2018 PDOP Reading: 1.2 Instrument Operator's Name: Ryan Desmond  
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  
2546 FSL 150 FEL 2461 FSL 50 FWL  
Sec: 12 Twp: 5N Rng: 67W Sec: 11 Twp: 5N Rng: 67W

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.)

5N-67W

11: NW/4, S/2 and other lands

See attached Mineral Lease Map as well.

Total Acres in Described Lease: 5758 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: 1404 Feet  
Building Unit: 1404 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 1046 Feet  
Above Ground Utility: 1078 Feet  
Railroad: 5280 Feet  
Property Line: 550 Feet  
School Facility: 5280 Feet  
School Property Line: 5280 Feet  
Child Care Center: 5280 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: 10/30/2018

## 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: 215 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 150 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

## SPACING & FORMATIONS COMMENTS

5N-66W, 7: All; 8: All; 5N-67W 11: All; 12: All  
Niobrara B

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIORARA	NBRR	407-2314	2564	5N-66W, 7: All; 8: A

## DRILLING PROGRAM

Proposed Total Measured Depth: 17625 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: 208 Feet ☐ No well belonging to another operator within 1,500 feet

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? 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? 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
CONDUCTOR	24	16	65	0	40	35	40	0
SURF	13+1/2	9+5/8	36	0	1750	531	1750	0
1ST	8+1/2	5+1/2	20	0	17625	1972	17625	

☐ 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

The acreage was calculated using Title Opinions from our Attorneys. They take into account all official surveys that become record which may add or, in some cases, reduce a quarter/quarter from the standard 40.00 acres.

In Spacing Tab, unit configuration did not fit so adding information here: 5N-66W, 7: All; 8: All; 5N-67W 11: All; 12: All. In Spacing Tab, distance proposed wellbore to offset same formation is 215 feet to Bost Farm 32C-11-L2 using Plan View Map measurement. In Drilling Tab, distance proposed wellbore to another operator is 208 feet to SKYWAY 22-11 (05.123.25322) using Anti-Collision Report.

This well has a bottom-hole location beyond the unit boundary setback. The bottom of the completed interval will be within the unit boundary setback at 2464' FSL and 150' FWL of Section 11-T5N-R67W. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

Also, since SRC Energy is the Surface owner of this location, we are waiving ourselves from 318A.a. and 318A.c. Also no SUA needed since SRC Energy is the surface owner.

Lot 2 in the NW 1/4 is greater than 40 acres, so the SHL is listed as if the Qtr were divided into QtrQtr.

No Stimulation Consent required for this proposed well.

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

Location ID: 456832

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: Erin Ekblad

Title: Manager Regulatory Affair Date: \_\_\_\_\_ Email: EEKBLAD@SRCENERGY.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: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

**API NUMBER**

05

## 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

## Best Management Practices

### No BMP/COA Type

### Description

1	Planning	604.c.(2)J.i Blowout Prevention Equipment ("BOPE"): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.
2	Planning	604.c.(2)J.ii Backup stabbing valves be required on well servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.
3	Drilling/Completion Operations	RULE 604.c.I: Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.
4	Drilling/Completion Operations	604.c.(2)L. Closed chamber drill stem tests shall be allowed. All other drill stem tests shall require approval by the Director. None planned for this well.
5	Drilling/Completion Operations	Alternative Logging Program: One of the first wells on this pad will be logged with open-hole resistivity log with gamma-ray log from the kick-off point 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 without open-hole logs shall state "Alternative Logging Program - No open-hole logs were run", and shall clearly identify the type of log and the well (by API#) in which open-hole logs were run.
6	Drilling/Completion Operations	Operator will comply with COGCC policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg area dated May 29, 2012.
7	Drilling/Completion Operations	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.

Total: 7 comment(s)

## Attachment Check List

### Att Doc Num

### Name

401936532	OffsetWellEvaluations Data
401936536	OFFSET WELL EVALUATION
401946009	DIRECTIONAL DATA
401946011	OTHER
401946014	DEVIATED DRILLING PLAN
401946016	MINERAL LEASE MAP
401947684	EXCEPTION LOC REQUEST

401952545	WELL LOCATION PLAT
-----------	--------------------

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.