

**APPLICATION FOR PERMIT TO:**

**Drill**       Deepen       Re-enter       Recomplete and Operate

TYPE OF WELL    OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____	Refiling <input type="checkbox"/>	Date Received: 05/31/2018
ZONE TYPE    SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Sidetrack <input type="checkbox"/>	

Well Name: STATE MASSIVE 5-65 2-3      Well Number: 2CH

Name of Operator: CONOCO PHILLIPS COMPANY      COGCC Operator Number: 19160

Address: 925 N ELDRIDGE PARKWAY

City: HOUSTON      State: TX      Zip: 77079

Contact Name: Jennifer Dixon      Phone: (832)486-3345      Fax: (    )

Email: jennifer.a.dixon@cop.com

**RECLAMATION FINANCIAL ASSURANCE**  
Plugging and Abandonment Bond Surety ID: 20100227

**WELL LOCATION INFORMATION**

QtrQtr: SENE      Sec: 2      Twp: 5S      Rng: 65W      Meridian: 6

Latitude: 39.647517      Longitude: -104.623838

Footage at Surface:	<u>1935</u> Feet	FNL/FSL	<u>FNL</u>	<u>375</u> Feet	FEL/FWL	<u>FEL</u>
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Field Name: DJ HORIZONTAL NIOBRARA      Field Number: 16950

Ground Elevation: 5826      County: ARAPAHOE

GPS Data:  
Date of Measurement: 03/22/2018    PDOP Reading: 1.5    Instrument Operator's Name: CHAD MEIERS

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
<u>2318</u>	<u>FNL</u>	<u>460</u>	<u>2318</u>	<u>FNL</u>	<u>325</u>
		<u>FEL</u>			<u>FWL</u>
Sec: <u>2</u>	Twp: <u>5S</u>	Rng: <u>65W</u>	Sec: <u>3</u>	Twp: <u>5S</u>	Rng: <u>65W</u>

**LOCAL GOVERNMENT INFORMATION**

County: ARAPAHOE      Municipality: N/A

Per § 34-60-106 (1)(f)(I)(A), the following questions pertain to the "local government with jurisdiction to approve the siting of the proposed oil and gas location."

The local government with jurisdiction is: County

Does the local government with jurisdiction regulate the siting of Oil and Gas Locations, with respect to this COGCC application? If the local government has waived its right to precede the COGCC in siting determination, indicate by selecting "NO" here and selecting "Waived" below.  Yes  No

If yes, in checking this box, I hereby certify that an application has been filed with the local government with jurisdiction to approve the siting of the proposed oil and gas location.

The local government siting permit type is: Administrative Energy Use by Special Review

The local government siting permit was filed on: 10/08/2018

The disposition of the application filed with the local government is: Approved

Additional explanation of local process:

### 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.)

All of Sections 2 and 3, T5S R65W

Total Acres in Described Lease: 1280 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # 1960.12

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 460 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: 327 Feet

Railroad: 5280 Feet

Property Line: 375 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, Designated Outside Activity Area, School Facility, and Child Care Center – 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: 317 FeetDistance from Completed Portion of Wellbore to Nearest Unit Boundary 460 Feet (Enter 5280 for distance greater than 1 mile.)

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

**SPACING & FORMATIONS COMMENTS**Nearest wellbore is the State Massive 5-65 2-3 2BH (Doc# 401656224) operated by ConocoPhillips (19160)  
Increased Density is pending Docket #180700552**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	535-1087	1280	Sec 2 & 3 All

**DRILLING PROGRAM**Proposed Total Measured Depth: 18148 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 feetWill a closed-loop drilling system be used? YesIs 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? NoWill salt based (>15,000 ppm Cl) drilling fluids be used? NoWill oil based drilling fluids be used? YesBOP 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/reuseCuttings Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Drilling cuttings will be taken by a certified transport company and disposed of at a certified facility.

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	24	16	65	0	100		100	0
SURF	13+1/2	9+5/8	36	0	2263	730	2263	0
1ST	8+1/2	5+1/2	23	0	18148	2460	18148	

 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

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 2318' FNL and 460' FWL of Section 3. The wellbore beyond the unit boundary setback will be physically isolated and will not be completed.

The nearest wellbore (existing or proposed) in the Niobrara formation is the State Massive 5-65 2-3 2BH (Doc# 401656224) approximately 317" from the above named proposed wellbore.

The nearest non-operated wellbore (proposed) is the Titan Federal 5-65 8A-4-1 (Document# 401355510) operated by Bison Exploration approximately 2317' away from the above named proposed wellbore.

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:       Jennifer Dixon      

Title:       Regulatory Coordinator       Date:       5/31/2018       Email:       jennifer.a.dixon@cop.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, applicable orders, and SB 19-181 and is hereby approved.

COGCC Approved: 

Director of COGCC

Date: 6/19/2019

Expiration Date: 06/18/2021

**API NUMBER**

05 005 07451 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**

	Operator will ensure the wellbore beyond the unit boundary setback is physically isolated and is not completed. In the Operator Comments on the Form 5A the operator will (1) report the footages from the section lines of the bottom of the completed interval (2) describe how the wellbore beyond the unit boundary setback is physically isolated and (3) certify that none of the wellbore beyond the setback was completed.
	1) Submit Form 42 electronically to COGCC 48 hours prior to MIRU (spud notice) for the first well activity with a rig on the pad and provide 48 hour spud notice via Form 42 for all subsequent wells drilled on the pad. 2) Comply with Rule 317.j. and provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after all fresh water aquifers are covered.
	Per COGCC Order 1-232, Bradenhead tests shall be performed according to the following schedule and Form 17 submitted within 10 days of each test: 1) Within 60 days of rig release, prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation. 2) If a delayed completion, 6 months after rig release and prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation. 3) A post-production test within 60 days after first sales, as reported on the Form 10, Certificate of Clearance.

**Best Management Practices**

**No BMP/COA Type**

**Description**

1	Drilling/Completion Operations	If a skid is performed for the subject well, then the only required BOPE tests will be for any broken BOPE connections, as long as a full BOPE test was performed at the beginning of the pad, and as long as all necessary BOPE tests are completed at least every 21 days during the pad operations.
2	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 the kick-off point to 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 clearly state "Alternative Logging Program - 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: 2 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](http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf)

Policy for Bradenhead Monitoring During Hydraulic Fracturing Treatments in the Greater Wattenberg Area.  
<http://cogcc.state.co.us/documents/reg/Policies/PolicyGwaBradenheadMonitoringFinal.pdf>

### Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1638312	SUA
1638325	OTHER
401656226	FORM 2 SUBMITTED
401656227	WELL LOCATION PLAT
401659497	DIRECTIONAL DATA
401659498	DEVIATED DRILLING PLAN

Total Attach: 6 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	The Director Objective Criteria Review Summary (Doc# 1010669 ) is attached to the Form 2A associated with this APD. Following additional analysis of the Director Objective Criteria, the Director determined that this application meets the standard for the protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181.	06/17/2019
Permit	-Surface Restoration Bond on file with SLB. -Attached the SUA PDF as per operator -Passed Permit Review -Passd Final Review	06/11/2019
Permit	Operator provided local government siting permit status and school and childcare distances via the Local Government Information Google Form - information entered with operator concurrence.	06/06/2019
Permit	-Corrected the cultural distance information for school facility, school property line, and child care center as per operator -Received consent from the operator to add/ change the following: 1. Added the spacing order number from the docket number 2. Updated the open hole logging BMP 3. Added the drilling beyond the setback COA 4. Changed the distance to the nearest lease line to 460', confirmed with operator	06/05/2019
Engineer	All wells within 1500' of this wellbore meet the requirements of the DJ Basin Horizontal offset policy, no remediation required.	06/05/2019
Permit	-Emailed the State Land Board (SLB) for verification of Surface Restoration Bond. -Corrected the unit configuration on the spacing and formation tab -Added the size of the spacing unit -Waiting on the operator's response about the following: 1. Added the spacing order number from the docket number 2. Updating the open hole logging BMP 3. Adding the drilling beyond the setback COA 4. Confirmation of the distance to nearest lease line	05/21/2019
Permit	Passed Completeness.	06/08/2018

Total: 7 comment(s)