

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

Date Received: 03/14/2018

TYPE OF WELL OIL GAS COALBED OTHER: _____

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES

Refilling
Sidetrack

Well Name: Salt Ranch Fee Well Number: 207-1830H

Name of Operator: CCRP OPERATING INC COGCC Operator Number: 10665

Address: 717 17TH STREET STE 1525

City: DENVER State: CO Zip: 80202

Contact Name: Ian Myers Phone: (720)961-4926 Fax: ()

Email: imyers@clearcreekrp.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20190020

WELL LOCATION INFORMATION

QtrQtr: Lot 4 Sec: 18 Twp: 11N Rng: 64W Meridian: 6

Latitude: 40.914617 Longitude: -104.596222

Footage at Surface: 454 Feet FNL/FSL FSL 1193 Feet FEL/FWL FWL

Field Name: WILDCAT Field Number: 99999

Ground Elevation: 5524 County: WELD

GPS Data:
Date of Measurement: 02/14/2018 PDOP Reading: 1.6 Instrument Operator's Name: Shane Henke

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

300 FNL 1038 FWL 300 FSL 1067 FWL

Sec: 19 Twp: 11N Rng: 64W Sec: 30 Twp: 11N Rng: 64W

LOCAL GOVERNMENT INFORMATION

County: WELD 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: _____

The local government siting permit was filed on: _____

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

Additional explanation of local process:

-Weld County has a permitting process called WOGLA. Weld County has waived its right to precede the COGCC in siting determination.

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: No

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

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.)

T11N R64W Sec. 7: NE; Sec. 8: All; Sec. 10: All; Sec. 17: West 53.33 acres of SE, East 106.67 acres of SE; Sec. 18: NESW, N2SE; NE, Lot 3; Sec. 19: SE; Sec. 20: All; Sec. 29: NW; T11N R65W Sec. 12: SENE, SE, S2SW, NESW; Sec. 23: NENE; Sec. 24: E2

Total Acres in Described Lease: 3536 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: 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: 5280 Feet
- Railroad: 5280 Feet
- Property Line: 454 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: 323 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 300 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

CCRP Operating Inc. has submitted a spacing application for a 1280 acre Drilling and Spacing Unit in Sections 19 & 30 T11N R64W under temporary spacing number 180400301.

If this Form 2 is associated with a Drilling and Spacing Unit application, provide docket number: _____

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	535-1016	1280	Sec. 19 & 30: All

DRILLING PROGRAM

Proposed Total Measured Depth: 18166 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: 465 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 609

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	26	16	43	0	80	400	80	0
SURF	13+1/2	9+5/8	36	0	1650	586	1650	0
1ST	8+1/2	5+1/2	17	0	18166	3384	18166	

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

Distance from completed portion of the wellbore to nearest wellbore permitted or completed in the same formation was measured to the proposed Salt Ranch Fee 505-1830H.

Distance from the proposed wellbore to nearest existing or proposed wellbore belonging to another operator, including plugged well was measured to the dry and abandoned UPRR-USA 1-19 (API#: 05-123-10340) operated by Trans Texas Energy Inc.

Please contact Andrea Gross for questions on this permit. For offset well evaluation questions please email Ian Myers and Andrea Gross.

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: Andrea Gross

Title: Permit Agent Date: 3/14/2018 Email: agross@upstreampm.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: 8/23/2019

Expiration Date: 08/22/2021

API NUMBER

05 123 50446 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

	<p>1) Submit Form 42 online 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) Provide cement coverage to a minimum of 200' above Niobrara. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after setting surface casing.</p> <p>Bradenhead Bradenhead tests shall be performed and reported according to the following schedule and Form 17 submitted within 10 days of each test.:</p> <p>1) All: Within 60 days of rig release, prior to stimulation. If any pressure greater than 200 psi, must contact COGCC engineer prior to stimulation. 2) Delayed completion: 6 months after rig release, 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.</p>
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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 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.
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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>
401572958	FORM 2 SUBMITTED
401573158	OffsetWellEvaluations Data
401573189	WELL LOCATION PLAT
401573190	DEVIATED DRILLING PLAN
401573192	SURFACE AGRMT/SURETY
401573195	DIRECTIONAL DATA
402154555	OFFSET WELL EVALUATION

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	-Passed Permit Review -Passed Final Review	08/22/2019
Permit	COGCC staff conducted its technical review of this Form 2 Application for Permit to Drill (APD) and the associated Form 2A Oil and Gas Location Assessment within the context of SB 19-181 and the required Objective Criteria. This APD and the Form 2A did not meet any of the Objective Criteria and are compliant with all applicable COGCC rules.	08/22/2019
Engineer	<ul style="list-style-type: none"> • Evaluated existing wells within 1500' of proposed directional. • Increased surface casing to 1650' for aquifer protection. Elev. of Base of Fox Hills from offset 123-10340 = 3930'. 	08/12/2019
Permit	COGCC Staff has added the Local Government siting permit information and the School and Childcare Center distances provided by the operator.	07/03/2019
Permit	-Changed the offset well to the nearest well in the same unit and updated the distance to the nearest offset well as per operator -Received consent from the operator to add/ change the following: <ol style="list-style-type: none"> 1. Added the spacing order number from the docket number 2. Added an active plugging bond 3. Updated the open hole logging BMP 	06/20/2019
Permit	-Changed the surface location to Lot 4 as per well plat -The wellbore does not cross lease described but the lease is within DSU. -Nearest offset well listed is incorrect, asked the operator for the nearest offset well in the same unit and the distance to it -Waiting on the operator's response on the following: <ol style="list-style-type: none"> 1. Added the spacing order number from the docket number 2. Plugging bond has been release, asked the operator for an active one 3. Updating the open hole logging BMP 	05/09/2019
Permit	Passed Completeness.	03/21/2018

Total: 7 comment(s)