## MID-CONTINENT ENERGY EXCHANGE

Oil & Gas Asset Auctions



**Data Packet** 

# **Blehm West Unit**

Royalty Interest in Weld County, CO

In this Document:

Lot Summary
Income and Expenses
Production
Maps
Misc.
Outgoing Conveyance



#### **BidEx Lot #1323**

Lease Name: Blehm West

County/State: Weld, CO

**Asset Type:** Royalty Interest

**Legal Description:** Sec 8-7N-67W, 6th P.M. Part of the NE/4

described as Lot 9, Prairie Ridge Estates

Subdivision MF-1053

**API:** 05-123-47599 (Salt Ranch Fee); 05-123-51473 (Blehm West)

**Decimal Interest:** 0.00023353 (Salt Ranch Fee; 0.00001275 (Blehm West)

Net Monthly Income: \$322.97

Operator: Upland Exploration, LLC

Disclaimer: Bidders must conduct their own due diligence prior to bidding at the auction. Bidders shall rely upon their own evaluations of the properties and not upon any representation either oral or written provided here. This is a summary of information provided by the seller to Mid-Continent Energy Exchange.



# **Summary**

2 months income info

Net Income: \$18.36

Per Month: \$9.18

DENVER CO 80206

#### **DIRECT DEPOSIT PAYMENT NOTICE**

03/29/23 PAGE 1

OWNER:

OWNER ID: 0020323

PAYMENT DATE: 03/31/2023

DOCUMENT NO: 4030

ACCT: UMB NICKEL ROAD CHECKING

\*THIS NOTICE IS BEING PROVIDED PURSUANT TO YOUR AGREEMENT FOR DIRECT DEPOSIT\*



	PROD	PRICE	8/8 VOLUME		8/8 VALUE	OWNER INT	OWNER SHARE		WNER
Property:	1152		BLEHM WEST-6X-HC-07-07	<b>'-67</b>		County: WELD		State:	СО
0922	GAS	6.66	1,791 BTU: 1.0	0000 Value:	11,929.14	0.00038556 R	4.59		
			Deductions:	Severance Tax	-116.46	0.00038556 R	-0.05		
			,	Ad Valorem Tax	-698.79	0.00038556 R	-0.28		
							Subtotal		4.26
0922	NGL	0.67	15,034.26	Value:	10,100.08	0.00038556 R	3.88		
			Deductions:	Severance Tax	-98.61	0.00038556 R	-0.04		
				Ad Valorem Tax	-591.64	0.00038556 R	-0.23		
							Subtotal		3.61
0922	CON	80.14	4.09	Value:	327.77	0.00038556 R	0.12		
			Deductions: /	Ad Valorem Tax	-19.20	0.00038556 R	-0.01		
							Subtotal		0.11
0922	OIL	82.55	4,724.37	Value:	390,005.60	0.00038556 R	150.37		
			Deductions:	Severance Tax	-3,734.32	0.00038556 R	-1.47		
			,	Ad Valorem Tax	-23,400.34	0.00038556 R	-9.24		
				Conserv Tax	-585.01	0.00038556 R	-0.24		
				Oil Deduct	-7,331.66	0.00038556 R	-2.82		
							Subtotal	1	36.60
1022	GAS	4.59	1,857 BTU: 1.0	0000 Value:	8,534.29	0.00017524 R	1.50		
			Deductions:	Severance Tax	-83.32	0.00017524 R	-0.03		
			,	Ad Valorem Tax	-499.92	0.00017524 R	-0.10		
							Subtotal		1.37
1022	NGL	0.57	15,667.48	Value:	8,938.53	0.00017524 R	1.54		
			Deductions:	Severance Tax	-87.27	0.00017524 R	-0.03		
			,	Ad Valorem Tax	-523.60	0.00017524 R	-0.10		
							Subtotal		1.41
1022	CON	83.50	4.90	Value:	409.13	0.00017524 R	0.06		
			Deductions:	Ad Valorem Tax	-23.97	0.00017524 R	-0.01		
							Subtotal		0.05

DENVER CO 80206

IRECT DEPOSIT PATMENT NO

OWNER:

OWNER ID: 0020323

PAYMENT DATE: 03/31/2023

DOCUMENT NO: 4030

ACCT: UMB NICKEL ROAD CHECKING

#### \*THIS NOTICE IS BEING PROVIDED PURSUANT TO YOUR AGREEMENT FOR DIRECT DEPOSIT\*

	OD PROD 8/8 TE CODE PRICE VOLUME		8/8 VALUE	OWNER INT	OWNER SHARE	OWNER PAYMENT		
Property:	1152		BLEHM WEST-6X-HC-07-0	7-67		County: WELD		State: CO
1022	OIL	85.78	5,815.50	Value:	498,859.40	0.00017524 R	87.45	
			Deductions:	Severance Tax	-4,781.12	0.00017524 R	-0.84	
				Ad Valorem Tax	-29,931.56	0.00017524 R	-5.35	
				Conserv Tax	-748.29	0.00017524 R	-0.15	
				Oil Deduct	-8,925.25	0.00017524 R	-1.53	
							Subtotal	79.58
1122	GAS	4.79	2,202 BTU: 1.	0000 Value:	10,539.91	0.00015772 R	1.69	
			Deductions:	Severance Tax	-102.90	0.00015772 R	-0.03	
				Ad Valorem Tax	-617.41	0.00015772 R	-0.10	
				Conserv Tax	-15.44	0.00015772 R	-0.01	
							Subtotal	1.55
1122	NGL	0.54	16,971.64	Value:	9,176.73	0.00015772 R	1.45	
			Deductions:	Severance Tax	-89.59	0.00015772 R	-0.03	
				Ad Valorem Tax	-537.56	0.00015772 R	-0.09	
				Conserv Tax	-13.44	0.00015772 R	-0.01	
							Subtotal	1.32
1122	CON	80.85	4.03	Value:	325.84	0.00015772 R	0.04	
							Subtotal	0.04
1122	OIL	83.14	5,225.85	Value:	434,454.27	0.00015772 R	68.54	
			Deductions:	Severance Tax	-4,162.30	0.00015772 R	-0.68	
				Ad Valorem Tax	-26,067.26	0.00015772 R	-4.20	
				Conserv Tax	-651.68	0.00015772 R	-0.11	
				Oil Deduct	-7,928.41	0.00015772 R	-1.24	
							Subtotal	62.31
1122	OIL	83.14	-5,225.85	Value:	-434,454.27	0.00015772 R	-68.54	
			Deductions:	Severance Tax	4,162.30	0.00015772 R	0.68	
				Ad Valorem Tax	26,067.26	0.00015772 R	4.20	
				Conserv Tax	651.68	0.00015772 R	0.11	
				Oil Deduct	7,928.41	0.00015772 R	1.24	
							Subtotal	-62.31
1122	OIL	83.14	5,194.60	Value:	431,856.66	0.00015772 R	68.11	
			Deductions:	Severance Tax	-4,136.94	0.00015772 R	-0.68	
				Ad Valorem Tax	-25,911.40	0.00015772 R	-4.20	
				Conserv Tax	-647.78	0.00015772 R	-0.11	
				Oil Deduct	-7,928.41	0.00015772 R	-1.24	
							Subtotal	61.88
1222	GAS	5.74	2,108 BTU: 1.		12,105.63	0.00014020 R	1.71	
			Deductions:	Severance Tax	-118.19	0.00014020 R	-0.04	
				Ad Valorem Tax	-709.13	0.00014020 R	-0.11	
				Conserv Tax	-17.73	0.00014020 R	-0.01	
							Subtotal	1.55

#### **DIRECT DEPOSIT PAYMENT NOTICE**

03/29/23 PAGE 3

**Check Total:** 

392.80

44 COOK STREET SUITE 705 DENVER CO 80206 OWNER:

OWNER ID: 0020323

PAYMENT DATE: 03/31/2023

DOCUMENT NO: 4030

ACCT: UMB NICKEL ROAD CHECKING

#### \*THIS NOTICE IS BEING PROVIDED PURSUANT TO YOUR AGREEMENT FOR DIRECT DEPOSIT\*

WNER		OWNER SHARE	OWNER INT INTEREST TYPE	8/8 VALUE		8/8 VOLUME	PRICE	PROD CODE	
СО	State:		County: WELD		7-67	BLEHM WEST-6X-HC-07-0		1152	Property:
	-	1.00	0.00014020 R	6,968.41	Value:	15,808.96	0.44		1222
		-0.02	0.00014020 R	-68.03	Severance Tax	•			
		-0.05	0.00014020 R	-408.20	Ad Valorem Tax				
		-0.01	0.00014020 R	-10.20	Conserv Tax				
0.92		Subtotal							
		0.03	0.00014020 R	250.81	Value:	3.44	72.91	CON	1222
		-0.01	0.00014020 R	-14.69	Ad Valorem Tax	Deductions:			
0.02		Subtotal							
		53.82	0.00014020 R	383,722.81	Value:	5,098.08	75.27	OIL	1222
		-0.52	0.00014020 R	-3,664.42	Severance Tax	Deductions:			
		-3.32	0.00014020 R	-23,023.37	Ad Valorem Tax				
		-0.08	0.00014020 R	-575.58	Conserv Tax				
		-1.17	0.00014020 R	-8,187.70	Oil Deduct				
48.73		Subtotal							
		1.17	0.00014020 R	8,316.93	0000 Value:	2,704 BTU: 1.	3.08	GAS	0123
		-0.02	0.00014020 R	-81.20	Severance Tax	Deductions:			
		-0.07	0.00014020 R	-487.19	Ad Valorem Tax				
1.08		Subtotal							
		1.55	0.00014020 R	11,086.34	Value:	21,551.20	0.51	NGL	0123
		-0.02	0.00014020 R	-108.24	Severance Tax	Deductions:			
		-0.09	0.00014020 R	-649.42	Ad Valorem Tax				
1.44		Subtotal							
		0.07	0.00014020 R	454.75	Value:	6.10	74.55	CON	0123
0.07		Subtotal							
		52.02	0.00014020 R	371,058.80	Value:	4,793.17	77.41	OIL	0123
		-0.51	0.00014020 R	-3,549.51	Severance Tax	Deductions:			
		-3.19	0.00014020 R	-22,263.53	Ad Valorem Tax				
		-0.08	0.00014020 R	-556.59	Conserv Tax				
		-1.03	0.00014020 R	-7,314.36	Oil Deduct				
47.21		Subtotal							



## **Production Data**

API#:	Facility Name/Number:	Operator Name:	Operator #:	Location:	Field:	Field Code:
05-123-51473	BLEHM-6X-HNB-10-07-67	NICKEL ROAD OPERATING LLC	10669	NENE 9 7N 67W 6	WATTENBERG	90750

County	Sequence	Sidetrack	WellName/Num	Year	Oil Produced (Barrels)	Oil Sales (Barrels)	Gas Produced (MCF)	Gas Sales (MCF)	Water Produced (Barrels)	Location
123	51473	00	BLEHM 6X-HNB-10-07-67	2022	41820	41820	138000	137227	18676	NENE 9 7N67W
123	51473	00	BLEHM 6X-HNB-10-07-67	2023	3758	3758	27744	27744	457	NENE 9 7N67W

#### PRODUCTION YEAR: 2022

Month	Days Produced	Well Status	API County	API Sequence	API Sidetrack	Formation	BOM Inventory	Oil Produced	Oil Sold	Oil Adjustment	EOM Inventory	Oil Gravity	Gas Produced	Gas Flared	Gas Used	Gas Shrinkage	Gas Sold	Gas BTU	Gas Tubing Pressure	Gas Casing Pressure	Water Volume	Water Tubing Pressure	Water Casing Pressure	Water Disp Code
Jan	31	PR	123	51473	00	NOT COMPLETED		5476	5476			38	2875	439			2436	1474			4019			м
Feb	28	PR	123	51473	00	NOT COMPLETED	)	8694	8694			38	12864				12864	1474			5393			М
Mar	31	PR	123	51473	00	NOT COMPLETED		6884	6884			38	21833				21833	1474			3535			М
Apr	30	PR	123	51473	00	NOT COMPLETED		4200	4200			38	19239				19239	1474			1765			М
May	31	PR	123	51473	00	NOT COMPLETED		3322	3322			38	16265				16265	1474			1199			м
Jun	30	PR	123	51473	00	NOT COMPLETED	)	2853	2853			38	13552	334			13218	1474			919			М
Jul	31	PR	123	51473	00	NOT COMPLETED		2365	2365			38	10834				10834	1474			679			м
Aug	31	PR	123	51473	00	NOT COMPLETED		1884	1884			38	8262				8262	1474			428			М
Sep	30	PR	123	51473	00	NOT COMPLETED		1462	1462			38	6845				6845	1474			235			м
Oct	30	PR	123	51473	00	NOT COMPLETED		1694	1694			38	7194				7194	1474			174			М
Nov	30	PR	123	51473	00	NOT COMPLETED		1567	1567			38	8589				8589	1474			199			М
Dec	31	PR	123	51473	00	NOT COMPLETED	)	1419	1419			38	9648				9648	1474			131			М

#### PRODUCTION YEAR: 2023

Month	Days Produced	Well Status	API County	API Sequence	API Sidetrack	Formation	BOM Inventory	Oil Produced	Oil Sold	Oil Adjustment	EOM Inventory	Oil Gravity	Gas Produced	Gas Flared	Gas Used	Gas Shrinkage	Gas Sold	Gas BTU	Gas Tubing Pressure	Gas Casing Pressure	Water Volume	Water Casing Pressure	Code
Jan	31	PR	123	51473	00	NOT COMPLETED		1326	1326			38	9218				9218	1474			140		м
Feb	28	PR	123	51473	00	NOT COMPLETED		1203	1203			38	9494				9494	1474			129		М
Mar	31	PR	123	51473	00	NOT COMPLETED		1229	1229			38	9032				9032	1474			188		м







## **FORM** 2

#### **State of Colorado**





**Document Number:** 

402576450

Phone: (303) 894-2100 Fax: (303) 894-2109
APPLICATION FOR PERMIT TO:  Date Received:` 01/27/2021
X   Drill   Deepen   Re-enter   Recomplete and Operate   Amend
TYPE OF WELL OIL X GAS COALBED OTHER:
ZONE TYPE SINGLE ZONE X MULTIPLE ZONES COMMINGLE ZONES Sidetrack
Well Name: BLEHM WEST Well Number: 1X-HNB-07-07-67
Name of Operator: NICKEL ROAD OPERATING LLC COGCC Operator Number: 10669
Address: 1600 STOUT STREET SUITE 1850
City: DENVER State: CO Zip: 80202
Contact Name: JENNIFER LIND Phone: (303)406-1117 Fax: ( )
Email: JENNIFER.LIND@NICKELROADOPERATING.COM
RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 20200034
WELL LOCATION INFORMATION
Surface Location
QtrQtr:_NENESec:9Twp:7NRng:_67WMeridian:6
FNL/FSL FEL/FWL
Footage at Surface: 350 Feet FNL 652 Feet FEL
Latitude: 40.594996 Longitude: -104.890975  GPS Data: GPS Quality Value: 1.8 Type of GPS Quality Value: PDOP Date of Measurement: 12/07/2017
Type of dr3 quality value. 1201
Ground Elevation:5088 Field Number: 90750
Well Plan: is Directional X Horizontal (highly deviated) Vertial
If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.  Subsurface Locations
Top of Productive Zone (TPZ)
Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 480 FNL 460 FEL
Measured Depth of TPZ: 9236 True Vertical Depth of TPZ: 6925 FNL/FSL FEL/FWL
Base of Productive Zone (BPZ)
Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 480 FNL 460 FWL  Massured Death of TPZ: 4840 FNL/FSL FEL/FWL
Measured Depth of TPZ: 18480 True Vertical Depth of TPZ: 6920
Bottom Hole Location (BHL)
Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 480 FNL 460 FWL
FNL/FSL FEL/FWL

#### LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD		Municipality	/: N/A				
Is the Surface Location of this Well	in an area de	esignated as one	of State intere	st and subje	ct to the require	ements of §	
24-65.1-108 C.R.S.? Yes							
Per § 34-60-106(1)(f)(I)(A) C.R.S., 1 proposed Oil and Gas Location.	he following	questions pertain	to the Relevar	it Local Gov	ernment approv	al of the siting o	of the
SB 19-181 provides that when "app permit and the disposition of that pe (A) C.R.S.							
Does the Relevant Local Governme	ent regulate th	ne siting of Oil and	d Gas Location	s, with resp	ect to this Loca	tion? X Ye	es No
If yes, in checking this box, I I the siting of the proposed oil a	nereby certify and gas locat	that an application.	on has been file	ed with the l	ocal governmer	nt with jurisdictio	n to approve
The disposition of the application file	ed with the R	elevant Local Gov	vernment is:	Approved	Date of Fin	al Disposition:	09/03/2020
Comments: 1041WOGLA20-0076	3						
SURFACE AND MINERAL C	WNERSH	IP AT WELL'S	OIL & GAS	i			
LOCATION							
Surface Owner of the land at this W	ell's Oil and	Gas Location:	X Fee	State	Federal	Indian	
Mineral Owner beneath this Well's			X Fee	State	Federal	Indian	
Surface Owner Protection Financial	Assurance (	if applicable):		Su ——	rety ID Number	(if applicable):	
MINERALS DEVELOPED WELL	BY						
The ownership of all the mineral  X Fee  State  Federal  Indian  N/A  LEASE INFORMATION  Using standard QtrQtr, Section, To this Well is within a unit, described to a unit (Attach a Lease Map or Lease Described Lease Map  Total Acres in Described Lease: Federal or State Lease #	ownship, Ran ibe a lease th t, describe th	ge format describ lat will be develop e lease that will b ease if necessary.	e one entire m ed by the Wel e produced by	ineral lease the Well.		Federal	Indian
SAFETY SETBACK INFORMATION							
Distance from Well to nearest:				INSTRUCT			
Building:	2117	Feet			II distances per R 80 for distance gr	ule 308.b.(1). eater than 1 mile	ı.
Building Unit:	2117	Feet		- Building	- nearest building	g of any type. If ne	earest
Public Road:	338	Feet		Building is both.	a Building Unit, o	enter same distan	nce for
Above Ground Utility:	307	Feet			Unit – as defined	in 100 Series Rule	es.
Railroad:	5280	Feet					

Prop	erty Line:	329 Feet		
OBJECTIVE FORM	ATIONS			
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	407-2769	1280	SEC.7&8:ALL
Federal or State Unit	Name (if appl):		U	nit Number:
SUBSURFACE MIN SETBACKS	ERAL	Enter 5280 for dista	nce greater than 1 mile.	
Is this Well within a unit If YES: Enter the minimu Enter the minimu unit permitted or of If NO: Enter the minimum of Enter the minimum of the same lease and	m distance from the m distance from the completed in the sadistance from the Codistance from the Codistanc	Completed Zone of this Well Completed Zone of this Well Completed Zone of this Well colleted in the same formation Rule 401.c Exception Locativers.	Vell to the Completed Zone of a Feet I to the Lease Line of the descri	bed lease: Feet  offset Well producing from
Proposed Total Measur Distance from the proposed Enter distance if less the Will a closed-loop drilling Is H2S gas reasonably or equal to 100 ppm?	red Depth:1848 psed wellbore to not an or equal to 1,50 ng system be used? expected to be end reacture treatment a countered during do ppm CI) drilling fluids be used?  Annular Preve and application pla	earest existing or proposed  10 feet:935 Feet  10 feet:935	No well belonging to and erations at concentrations greatess a plan was already submitted	operator, including plugged wells: other operator within 1,500 feet

# CASING PROGRAM Casing Type Size of Hole Size of Casing Grade Wt/Ft Csg/Liner Top Setting Depth Sacks Cmt Btm Cmt Cmt Top CONDUCTOR 24 16 N/A 42 0 80 100 80 0

	11010	Ousing			<u>10p</u>	Deptii	Oiiit		<u>100</u>
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1500	415	1500	0
1ST	8+1/2	5+1/2	HCP110	20	0	18480	2440	18480	1000

Conductor Casing is NOT planned

#### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	<u>Тор</u> М.D.	<u>Top</u> T.V.D.	Bottom M.D.	Bottom T.V.D.	<u>TDS</u> (mg/L)	Data Source	Comment
Groundwater	LARAMIE-FOX HILLS	0	0	139	139	1001-10000	Other	CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	UPPER PIERRE	300	300	1314	1314	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	PIERRE SHALE	1314	1314	4745	4207			
Hydrocarbon	SUSSEX	4745	4207	5305	4556			
Hydrocarbon	SHANNON	5305	4556	5348	4585			
Confining Layer	PIERRE SHALE	5348	4585	8885	6822			
Hydrocarbon	NIOBRARA	8885	6822	18480	6920			Btm MD=TD, Btm TVD=TVD @ BHL

#### **OPERATOR COMMENTS AND SUBMITTAL**

Co	m	m	ei	nts
$\sim$			σı	110

935'. Distance to nearest wellbore belonging to another operator measured to the RIO GRANDE 8-67-33-4C (ENERPLUS / 05-123-44902 / XX). There are no other operator wells with treated interval less 175' from the treated interval of the proposed well. Distance measured in 2D map view.

			•						
This applic	nis application is in a Comprehensive Area Plan No CAP #:								
Oil and Ga	as Development Plan Name			OGDP ID:	#:				
Location II	D:478497								
I hereby c	ertify all statements made in this forn	m are, to the best of	my knowledge, t	true, correct, a	nd complete.				
Signed:			Print Name:	JENNIFER LI	ND				
Title:	VP REG & ENV	Date:	1/27/2021	Email:	JENNIFER.LIND@NICKELRO				

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:	2/25/2021					
API NUMBER	Expiration Date:	02/24/2024					
05 123 51534 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	<u>Description</u>
Drilling/Completion Operations	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.
Drilling/Completion Operations	<ol> <li>Submit Form 42 electronically to COGCC 2 business days prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 2 business days spud notice for all subsequent wells drilled on the pad.</li> <li>Comply with Rule 317.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log.</li> <li>Oil-based drilling fluid is to be used only after all aquifers are covered.</li> </ol>

#### **Best Management Practices**

No	BMP/COA Type	<u>Description</u>
1	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.
2	Drilling/Completion Operations	Alternative Logging Program: 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 openhole 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 openhole logs were run.
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.

Total: 3 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

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

#### **Attachment List**

Att Doc Num	<u>Name</u>
402576450	APD APPROVED
402583747	OffsetWellEvaluations Data
402583765	DEVIATED DRILLING PLAN
402583766	WELL LOCATION PLAT
402583767	DIRECTIONAL DATA
402583770	LEASE MAP
402610889	OFFSET WELL EVALUATION
402610890	FORM 2 SUBMITTED
402610903	PUBLIC COMMENT-0

Total Attach: 9 Files

#### **General Comments**

User Group	Comment	<b>Comment Date</b>
Permit	Final Review Completed.	02/25/2021
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #402591420 in Location #478497 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	02/24/2021
Engineer	Revised distance to nearest non-operated well from 310' to 935', per Operator.	02/23/2021
Permit	Permitting Review Complete.	02/02/2021
Engineer	Offset Wells Evaluated.	02/02/2021

Total: 5 comment(s)

## **FORM** 2

#### **State of Colorado**





**Document Number:** 

402576475

APPLICATION FOR PERMIT TO:    Date Received: 01/27/2021	Phone: (303) 894-2100 Fax: (303) 894-2109	
TYPE OF WELL OIL	APPLICATION FOR PERMIT TO:	
Value	X Drill Deepen Re-enter Recomplete and Operate	Amend
Well Name: BLEHM WEST	TYPE OF WELL OIL X GAS COALBED OTHER:	Refile
Name of Operator: NICKEL ROAD OPERATING LLC	ZONE TYPE SINGLE ZONE X MULTIPLE ZONES COMMINGLE ZONES	Sidetrack
Address: 1600 STOUT STREET SUITE 1850   City:   DENVER   State:   CO   Zip:   80202	Well Name: BLEHM WEST Well Number: 2X-HNC-07-67	
City:   DENVER	Name of Operator: NICKEL ROAD OPERATING LLC COGCC Operator Nu	ımber: 10669
Contact Name:   JENNIFER LIND	Address: 1600 STOUT STREET SUITE 1850	
RECLAMATION FINANCIAL ASSURANCE	City: DENVER State: CO Zip: 80202	
RECLAMATION FINANCIAL ASSURANCE   Plugging and Abandonment Bond Surety ID:	Contact Name: JENNIFER LIND Phone: (303)406-1117 Fax: ( )	
Plugging and Abandonment Bond Surety ID:	Email: JENNIFER.LIND@NICKELROADOPERATING.COM	
WELL LOCATION INFORMATION  Surface Location  QtrQtr: NENE	RECLAMATION FINANCIAL ASSURANCE	
Surface Location	Plugging and Abandonment Bond Surety ID: 20200034	
Surface Location		
QtrQtr: NENE	WELL LOCATION INFORMATION	
Footage at Surface:   380   Feet   FNL   653   Feet   FEL	Surface Location	
Footage at Surface: 380 Feet FNL 653 Feet FEL Latitude: 40.594914 Longitude: -104.890981 GPS Data: GPS Quality Value: 1.8 Type of GPS Quality Value: PDOP Date of Measurement: 01/14/2020 Ground Elevation: 5088 Field Name: WATTENBERG Field Number: 90750 Well Plan: is Directional X Horizontal (highly deviated) Vertial If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.  Subsurface Locations Top of Productive Zone (TPZ) Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 1097 FNL 460 FEL Measured Depth of TPZ: 9343 True Vertical Depth of TPZ: 7030 FNL/FSL FEL/FWL  Base of Productive Zone (BPZ) Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 1098 FNL 460 FWL Measured Depth of TPZ: 18581 True Vertical Depth of TPZ: 7015 FNL/FSL FEL/FWL  Bottom Hole Location (BHL) Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 1098 FNL 460 FWL		
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	FNL/FS	L FEL/FWL

#### LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD	Municipalit	y: N/A				
Is the Surface Location of this Well	in an area designated as one	of State interest	and subje	ct to the require	ments of §	
24-65.1-108 C.R.S.? Yes						
Per § 34-60-106(1)(f)(l)(A) C.R.S., proposed Oil and Gas Location.	the following questions pertain	to the Relevant L	_ocal Gov	ernment approv	al of the siting	of the
SB 19-181 provides that when "app permit and the disposition of that pe (A) C.R.S.						
Does the Relevant Local Governme	ent regulate the siting of Oil an	d Gas Locations,	with respe	ect to this Locat	ion? X Ye	es No
X If yes, in checking this box, I the siting of the proposed oil	nereby certify that an application	on has been filed	with the lo	ocal governmen	t with jurisdiction	on to approve
The disposition of the application fil	ed with the Relevant Local Go	overnment is: Ap	oproved	Date of Fina	al Disposition:	09/03/2020
Comments: 1041WOGLA20-0076	6					
SURFACE AND MINERAL C	OWNERSHIP AT WELL'S	S OIL & GAS				
LOCATION						
Surface Owner of the land at this W	ell's Oil and Gas Location:	X Fee	State	Federal	Indian	
Mineral Owner beneath this Well's	Oil and Gas Location:	X Fee	State	Federal	Indian	
Surface Owner Protection Financial	Assurance (if applicable):		Sur —	ety ID Number	(if applicable):	
MINERALS DEVELOPED WELL	) BY					
State State Federal Indian N/A  LEASE INFORMATION  Using standard QtrQtr, Section, To this Well is within a unit, descrot if this Well is not subject to a unit (Attach a Lease Map or Lease Description)  SEE ATTACHED LEASE MAP	ibe a lease that will be develor t, describe the lease that will b	ped by the Well. be produced by th		as follows:		
Total Acres in Described Lease:	142 Described M	lineral Lease is:	X Fee	State	Federal	Indian
Federal or State Lease #				_		
SAFETY SETBACK INFORMATION						
Distance from Well to nearest:			INSTRUCTI	ONS:		
Building:	2109 Feet			l distances per Ru		
Building Unit:	2109 Feet			O for distance grong nearest building		I
Public Road:	368 Feet		Building is	a Building Unit, e		I
Above Ground Utility:	337 Feet		both Building U	Jnit – as defined	in 100 Series Rul	es.
Railroad:	5280 Feet					
Kaiiloau.		L				

Prop	erty Line:	359 Feet		
OBJECTIVE FORM	ATIONS			
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	407-2769	1280	SEC.7&8:ALL
Federal or State Unit	Name (if appl):		U	nit Number:
SUBSURFACE MINI SETBACKS	ERAL	Enter 5280 for dista	nce greater than 1 mile.	
Is this Well within a unit If YES: Enter the minimu		e Completed Zone of this V	Vell to the Unit Boundary:	460 Feet
	m distance from the sa	•	Vell to the Completed Zone of a	n offset Well within the same
If NO:				
Enter the minimum of	distance from the C	Completed Zone of this Wel	I to the Lease Line of the descri	bed lease: Feet
Enter the minimum of	distance from the C	Completed Zone of this Wel	I to the Completed Zone of an o	ffset Well producing from
the same lease and	permitted or comp	oleted in the same formation	n: Feet	
Exception Location  If this Well requires Exception Location  SPACING & FORMA	Request and Waiv	vers	ion, enter the Rule or spacing o	order number and attach the
DRILLING PROGRA	M			
Proposed Total Measur	ed Depth: 1858	1 Feet TV	'D at Proposed Total Measured	Depth 7015 Feet
Distance from the propo	osed wellbore to ne	earest existing or proposed	wellbore belonging to another of	operator, including plugged wells:
Enter distance if less that	an or equal to 1,50	00 feet: 1025 Feet	No well belonging to and	other operator within 1,500 feet
Will a closed-loop drillin	g system be used	? Yes		
or equal to 100 ppm?	No If yes, attarracture treatment a	ach an H2S Drilling Plan unle at a depth less than 2,000 fo rilling?No		er than with the Form 2A per Rule 304.c.(10).
Will oil based drilling flu	ids be used?	Yes	_	
BOP Equipment Type:	Annular Preve	ntor 🔽 Double Ram	Rotating Head	None
Beneficial reuse or la	and application pla	n submitted? No		
Reuse Facility ID:_		or Document Number:		

#### **CASING PROGRAM**

Casing Type	Size of Hole	Size of Casing	<u>Grade</u>	Wt/Ft	<u>Csg/Liner</u> <u>Setting</u> <u>Top</u> <u>Depth</u>		Sacks Cmt	Cmt Btm	<u>Cmt</u> Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1500	415	1500	0
1ST	8+1/2	5+1/2	HCP110	20	0	18581	2400	18581	1000

Conductor Casing is NOT planned

#### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	<u>Top</u> <u>M.D.</u>	<u>Top</u> T.V.D.	Bottom M.D.	Bottom T.V.D.	<u>TDS</u> (mg/L)	Data Source	Comment
Groundwater	LARAMIE-FOX HILLS	0	0	139	139	1001-10000	Other	Data Source: CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	UPPER PIERRE	300	300	1314	1314	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	PIERRE SHALE	1314	1314	4776	4224			
Hydrocarbon	SUSSEX	4776	4224	5314	4573			
Hydrocarbon	SHANNON	5314	4573	5362	4602			
Confining Layer	PIERRE SHALE	5362	4602	8845	6839			
Confining Layer	NIOBRARA	8845	6839	18581	7015			Btm MD=TD, Btm TVD=TVD @ BHL

#### OPERATOR COMMENTS AND SUBMITTAL

Comments	Distance revised rom 250	' to 1025' per operator. D	IS

Distance to nearest wellbore belonging to another operator measured to the RIO GRANDE 8-67-33-4C (ENERPLUS / 05-123-44902 / XX). There are no other operator wells with treated interval less 175' from the treated interval of the proposed well. Distance measured in 2D map view.

This applic	cation is in a Comprehensive Area Plan	No	CAP #:						
Oil and Ga	as Development Plan Name			OGDP ID#	t:				
Location II	D:478497								
I hereby o	I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.								
Signed:			Print Name:	JENNIFER LIN	ND				
Title:	VP REG & ENV	Date:	1/27/2021	Email:	JENNIFER.LIND@NICKELRO				

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:	2/25/2021					
API NUMBER	Expiration Date:	02/24/2024					
05 123 51530 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	<u>Description</u>
Drilling/Completion Operations	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.
Drilling/Completion Operations	1) Submit Form 42 electronically to COGCC 2 business days prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 2 business days spud notice for all subsequent wells drilled on the pad. 2) Comply with Rule 317.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log. 3) Oil-based drilling fluid is to be used only after all aquifers are covered.

#### **Best Management Practices**

No BMP/COA Type	<u>Description</u>
1 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.
2 Drilling/Completion Operations	Alternative Logging Program: 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 openhole 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 openhole logs were run.
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.

Total: 3 comment(s)

#### **Applicable Policies and Notices to Operators**

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

#### **Attachment List**

Att Doc Num	<u>Name</u>
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402584730	DEVIATED DRILLING PLAN
402584731	WELL LOCATION PLAT
402584732	DIRECTIONAL DATA
402584733	LEASE MAP
402610884	OFFSET WELL EVALUATION
402610891	FORM 2 SUBMITTED
402610898	PUBLIC COMMENT-0

Total Attach: 9 Files

#### **General Comments**

User Group	Comment	<b>Comment Date</b>
Permit	Final Review Completed.	02/25/2021
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #402591420 in Location #478497 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	02/24/2021
Engineer	Revised distance to neareest non-operated well from 250' to 1025', per operator.	02/24/2021
Permit	Permitting Review Complete.	02/02/2021
Engineer	Offset Wells Evaluated.	02/02/2021

Total: 5 comment(s)

#### **FORM** 2 Rev

#### **State of Colorado**





**Document Number:** 

402576482

12/20	Phone: (303)	894-2100 Fax: (303)	894-2109	TM DNR		
	APPLICA <sup>-</sup>	TION FOR PERM	<b>Л</b> ІТ ТО:		Date Rece	ived:` 7/2021
X Drill	Deepen	Re-enter	Recomplete and	Operate	Amend	]
TYPE OF WEL	L OIL X GAS	COALBED (	OTHER:		Refile	]
ZONE TYPE	SINGLE ZONE X	MULTIPLE ZONES	COMMINGLE ZONES		Sidetrack	]
Well Name: BL	EHM WEST		Well Number: 3X-HC	C-07-07-67		
Name of Opera	tor: NICKEL ROAD OPE	ERATING LLC	COC	GCC Operator N	umber: 1(	0669
Address: 1600	STOUT STREET SUITE	1850				
City: D	ENVER St	ate: CO	Zip: 80202			
Contact Name:	JENNIFER LIND	Phon	e: <u>(303)406-1117</u> Fax: <u>(</u>	)		
Email:	JENNIFER.LIND@NIC	KELROADOPERATIN	G.COM_			
RECLAMATI	ON FINANCIAL AS	SURANCE				
Plugging and Ab	pandonment Bond Surety	/ ID:20200034				
WELL LOCA	TION INFORMATIO	ON .				
Surface Location	on					
QtrQtr: NENE	Sec: _9		6 Meridian: 6	_		
Footage at	Surface: 410	FNL/FSL Feet FNL	FEL/FWL 655 Feet FEL			
	40.594831		ude: -104.890987			
GPS Data:	GPS Quality Value: 1	_	uality Value: PDOP	Date of M	easurement: 1	1/14/2020
Ground Elevation					_	
Field Name: V		Field Nu	umber: 90750			
Woll Plan: is	Directional	———— Horizontal (highly devi	atod) Vortial			
Well Plan: is	_		ated)	onal Data		
Subsurface Loc	-		Seviated Stilling Flath and Sheet.	onai bata.		
Top of Producti						
Sec	c: 8 Twp: 7N	l Rng: 67W	Footage at TPZ:	1717 FN	L 460	FEL
Me	asured Depth of TPZ:	9506	True Vertical Depth of TPZ:	7140 FNL/F	SL	FEL/FWL
Base of Produc	ctive Zone (BPZ)					
Se		N Rng: 67W	Footage at TPZ:	1717 FN	L 460	FWL
	easured Depth of TPZ:		True Vertical Depth of TPZ:	ENII /E		FEL/FWL
Bottom Hole Lo	_		·			
Se		N Rng: 67W	Footage at BHL:	1717 FN	L 460	FWL
			_	FNL/F	SL	FEL/FWL

#### LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD		Municipality	/: N/A					
Is the Surface Location of this Well	in an area d	esignated as one	of State intere	st and subje	ect to the require	ements of §		
24-65.1-108 C.R.S.? Yes								
Per § 34-60-106(1)(f)(I)(A) C.R.S., the following questions pertain to the Relevant Local Government approval of the siting of the proposed Oil and Gas Location.								
SB 19-181 provides that when "applying for a permit to drill," operators must include proof that they sought a local government siting permit and the disposition of that permit application, or that the local government does not have siting regulations. § 34-60-106(1)(f)(I) (A) C.R.S.								
Does the Relevant Local Governme	ent regulate th	ne siting of Oil and	d Gas Location	s, with resp	ect to this Locat	tion? X Ye	es No	
If yes, in checking this box, I I the siting of the proposed oil a	— If you in checking this boy. I hareby cartify that an application has been filed with the local government with jurisdiction to approve							
The disposition of the application file	ed with the R	elevant Local Gov	vernment is:	Approved	Date of Fin	al Disposition:	09/03/2020	
Comments: 1041WOGLA20-0076	3							
SURFACE AND MINERAL C	WNERSH	IP AT WELL'S	OIL & GAS	1				
LOCATION								
Surface Owner of the land at this W	ell's Oil and	Gas Location:	X Fee	State	Federal	Indian		
Mineral Owner beneath this Well's			X Fee	State	Federal	Indian		
Surface Owner Protection Financial	Assurance (	if applicable):		Su 	rety ID Number	(if applicable):		
MINERALS DEVELOPED WELL	) BY							
The ownership of all the minera    X   Fee	ownship, Ran ibe a lease th t, describe th	ge format describ lat will be develop e lease that will b lease if necessary.	e one entire med by the Wel	ineral lease the Well.		Federal	Indian	
SAFETY SETBACK								
INFORMATION								
Distance from Well to nearest:				INSTRUCT				
Building:	2101	Feet			II distances per R 80 for distance gr		<u> </u>	
Building Unit:	2101	Feet		- Building	- nearest building	g of any type. If ne	earest	
Public Road:	398	Feet		Building is both.	a Building Unit, e	enter same distan	ice for	
Above Ground Utility:	367	Feet			Unit – as defined	in 100 Series Rule	es.	
Railroad:	5280	Feet						

Prop	erty Line:	389 Feet					
OBJECTIVE FORM	ATIONS						
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)			
NIOBRARA	NBRR	407-2769	1280	SEC.7&8: ALL			
Federal or State Unit	Name (if appl):	<u> </u>	U	nit Number:			
SUBSURFACE MIN SETBACKS	ERAL	Enter 5280 for dista	nce greater than 1 mile.				
Is this Well within a unit? Yes  If YES:  Enter the minimum distance from the Completed Zone of this Well to the Unit Boundary:							
Enter distance if less the Will a closed-loop drilling Is H <sub>2</sub> S gas reasonably or equal to 100 ppm?	osed wellbore to not an or equal to 1,50 ag system be used?  No If yes, attracture treatment accountered during do ppm CI) drilling floids be used?  Annular Prevenand application pla	earest existing or proposed  10 feet:	No well belonging to and erations at concentrations greatess a plan was already submitted	operator, including plugged wells: other operator within 1,500 feet			

#### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	<u>Grade</u>	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1500	415	1500	0
1ST	8+1/2	5+1/2	HCP110	20	0	18737	2420	18737	1000

Conductor Casing is NOT planned

#### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	<u>Top</u> M.D.	<u>Top</u> T.V.D.	Bottom M.D.	Bottom T.V.D.	TDS (mg/L)	Data Source	Comment
Groundwater	LARAMIE-FOX HILLS	0	0	139	139	1001-10000	Other	Data Source: CSU - Domestic Water Analysis Report - Larry Moore Well - 176559 - 1065 mg/L
Groundwater	UPPER PIERRE	300	300	1314	1314	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	PIERRE SHALE	1314	1314	4762	4221			
Hydrocarbon	SUSSEX	4762	4221	5313	4570			
Hydrocarbon	SHANNON	5313	4570	5349	4599			
Confining Layer	PIERRE SHALE	5349	4599	8830	6836			
Hydrocarbon	NIOBRARA	8830	6836	9308	7107			
Confining Layer	FORT HAYS	9308	7107	9400	7130			
Hydrocarbon	CODELL	9400	7130	18737	7130			Btm MD=TD, Btm TVD=TVD @ BHL

#### **OPERATOR COMMENTS AND SUBMITTAL**

_					
ᡣ	m	m	Δ	nt	c

Revised distance to nearest non-operated well from 515' to 1055', per operator. Distance to nearest wellbore belonging to another operator measured to the RIO GRANDE 8-67-33-4C (ENERPLUS / 05-123-44902 / XX). There are no other operator wells with treated interval less 175' from the treated interval of the proposed well. Distance measured in 2D map view.

This appli	cation is in a Comprehensive Area Plan	No	CAP #:		
Oil and G	as Development Plan Name			OGDP ID	#: 
Location I	D:478497				
I hereby	certify all statements made in this form are	, to the best of n	ny knowledge,	true, correct, a	nd complete.
Signed:			Print Name:	JENNIFER LI	ND
Title:	VP REG & ENV	Date:	1/27/2021	Email:	JENNIFER.LIND@NICKELRO

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:	Muranel	Director of COGCC	Date:	2/25/2021				
API NUMBER		Expiratio	Expiration Date:					
05 123 51528 00	0							

#### **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	<u>Description</u>
Drilling/Completion Operations	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.
Drilling/Completion Operations	<ol> <li>Submit Form 42 electronically to COGCC 2 business days prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 2 business days spud notice for all subsequent wells drilled on the pad.</li> <li>Comply with Rule 317.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log.</li> <li>Oil-based drilling fluid is to be used only after all aquifers are covered.</li> </ol>

#### **Best Management Practices**

No	BMP/COA Type	<u>Description</u>
1	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.
2	Drilling/Completion Operations	Alternative Logging Program: 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 openhole 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 openhole logs were run.
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.

Total: 3 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

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

#### **Attachment List**

Att Doc Num	<u>Name</u>
402576482	APD APPROVED
402584798	OffsetWellEvaluations Data
402584801	DEVIATED DRILLING PLAN
402584802	WELL LOCATION PLAT
402584803	DIRECTIONAL DATA
402584805	LEASE MAP
402610881	OFFSET WELL EVALUATION
402610892	FORM 2 SUBMITTED
402610900	PUBLIC COMMENT-0

Total Attach: 9 Files

#### **General Comments**

User Group	Comment	Comment Date
Permit	Final Review Completed.	02/25/2021
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #402591420 in Location #478497 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	02/24/2021
Engineer	Revised distance to nearest non-operated well from 515' to 1055', per operator.	02/24/2021
Permit	Permitting Review Complete.	02/02/2021
Engineer	Offset Wells Evaluated.	02/02/2021

Total: 5 comment(s)

#### **FORM** 2 Rev

#### **State of Colorado**





**Document Number:** 

402576494

12/20	, ,	894-2100 Fax: (303)		TM D	NR	Date Rece	ived:` '/2021
X Drill	Deepen	Re-enter	Recomplete and	Operate	_	Amend	]
TYPE OF WEL	L OIL X GAS	COALBED	OTHER:			Refile	]
ZONE TYPE	SINGLE ZONE X	MULTIPLE ZONES	COMMINGLE ZONES	-	Si	detrack	
Well Name: BL	EHM WEST		Well Number: 4X-HN	NB-07-07-	67		
Address: 1600 City: D Contact Name:	JENNIFER LIND	1850 ate: <u>CO</u> Phone	Zip: 80202 e: (303)406-1117 Fax: (		rator Numb	er:1(	0669
	JENNIFER.LIND@NIC		G.COM				
	ION FINANCIAL ASS bandonment Bond Surety						
WELL LOCA	TION INFORMATIO	N					
Surface Location  OtrQtr: NENE  Footage at  Latitude:  GPS Data:  Ground Elevation	Sec: 9 T Surface: 440 40.594749 GPS Quality Value: 1.	FNL/FSL Feet FNL Longit	67W Meridian: 6  FEL/FWL 656 Feet FEL  ude: -104.890993  uality Value: PDOP	Da	te of Measu	urement: 1	1/14/2020
Field Name: V		Field Nu	ımber: 90750				
Well Plan: is	Directional X F	Horizontal (highly devi	ated) Vertial				
Subsurface Loc	If Well plan is Directiona cations		Deviated Drilling Plan and Directi	onal Data.			
Se	c: 8 Twp: 7N	Rng: 67W	Footage at TPZ:	2336	FNL	460	FEL
	easured Depth of TPZ: ctive Zone (BPZ)	9511	True Vertical Depth of TPZ:	6915	FNL/FSL —		FEL/FWL
Se	,	I Rng: 67W	Footage at TPZ:	2335	FNL	460	FWL
	easured Depth of TPZ:		True Vertical Depth of TPZ:		FNL/FSL		FEL/FWL
	•		•		_		
Bottom Hole Lo	ocation (BHL)						
Bottom Hole Lo		IRng:67W	Footage at BHL:	2335	FNL	460	FWL

County: WELD		Municipality	/: N/A				
Is the Surface Location of this Well	in an area de	esignated as one	of State intere	st and subje	ect to the require	ements of §	
24-65.1-108 C.R.S.? Yes							
Per § 34-60-106(1)(f)(I)(A) C.R.S., 1 proposed Oil and Gas Location.	he following	questions pertain	to the Relevar	nt Local Gov	ernment approv	al of the siting o	of the
SB 19-181 provides that when "app permit and the disposition of that pe (A) C.R.S.							
Does the Relevant Local Governme	ent regulate th	ne siting of Oil and	d Gas Location	s, with resp	ect to this Locat	tion? X Ye	es No
If yes, in checking this box, I I the siting of the proposed oil a	nereby certify and gas locat	that an application.	on has been fil	ed with the I	ocal governmer	nt with jurisdictio	n to approve
The disposition of the application file	ed with the R	elevant Local Gov	vernment is:	Approved	Date of Fin	al Disposition:	09/03/2020
Comments: 1041WOGLA20-0076	3						
SURFACE AND MINERAL C	WNERSH	IP AT WELL'S	OIL & GAS				
LOCATION			-				
Surface Owner of the land at this W			X Fee	State	Federal	Indian	
Mineral Owner beneath this Well's			X Fee	State	Federal	Indian	
Surface Owner Protection Financial	Assurance (	if applicable): —		Su 	rety ID Number	(if applicable):	
MINERALS DEVELOPED WELL	) BY						
The ownership of all the minera  X Fee  State  Federal  Indian  N/A  LEASE INFORMATION  Using standard QtrQtr, Section, To this Well is within a unit, described to a unit (Attach a Lease Map or Lease Described Lease Described Lease:  SEE ATTACHED LEASE MAP  Total Acres in Described Lease:  Federal or State Lease #	ownship, Ran ibe a lease th t, describe th	ge format describ lat will be develop e lease that will b lease if necessary.	e one entire med by the Wel	ineral lease the Well.		Federal	☐ Indian
SAFETY SETBACK							
INFORMATION							
Distance from Well to nearest:				INSTRUCT		1.005: /:	
Building:	2093	Feet			II distances per R 80 for distance gr		<u>.</u>
Building Unit:	2093	Feet		- Building	- nearest building	g of any type. If ne	earest
Public Road:	428	Feet		Building is both.	a Building Unit, 6	enter same distan	nce for
Above Ground Utility:	397	Feet			Unit – as defined	in 100 Series Rule	es.
Railroad:	5280	Feet					

Prop	erty Line:	419 Feet		
OBJECTIVE FORM	ATIONS			
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	407-2769	1280	SEC.7&8: ALL
Federal or State Unit	Name (if appl):		U	nit Number:
SUBSURFACE MINI SETBACKS	ERAL	Enter 5280 for dista	nce greater than 1 mile.	
Is this Well within a unit	? Yes			
	m distance from th	e Completed Zone of this V	Vell to the Unit Boundary:	460 Foot
		•	Vell to the Completed Zone of a	n offset Well within the same
	completed in the sa		•	in onset well within the same
·	completed in the sa	ame formation: 619	Feet	
If NO:	diatamaa fuama tha C	Samulatad Zana of this Wall		had lasse.
		•	I to the Lease Line of the descri	
		•	I to the Completed Zone of an o	itset vveii producing from
the same lease and	permitted or comp	oleted in the same formation	n: Feet	
Exception Location				
If this Well requires	the approval of a	Rule 401.c Exception Locat	ion, enter the Rule or spacing o	rder number and attach the
Exception Location	Request and Waiv	vers.		
SPACING & FORMA	ATIONS COMM	ENTS		
DRILLING PROGRA	M			
Proposed Total Measur	ed Depth: 1873	6 Feet TV	D at Proposed Total Measured	Depth 6915 Feet
Distance from the propo	osed wellbore to ne	earest existing or proposed	wellbore belonging to another of	pperator, including plugged wells:
Enter distance if less that	an or equal to 1,50	00 feet: 985 Feet	No well belonging to and	other operator within 1,500 feet
Will a closed-loop drillin	g system be used	? Yes		
Is H2S gas reasonably	expected to be end	countered during drilling ope	erations at concentrations greate	er than
or equal to 100 ppm?	No If yes, atta	ach an H2S Drilling Plan unle	ess a plan was already submitted	with the Form 2A per Rule 304.c.(10).
Will there be hydraulic f	racture treatment a	at a depth less than 2,000 fe	eet in this well? No	
Will salt sections be end	countered during d	rilling? No		
Will salt based (>15,000	ppm CI) drilling fl	uids be used? No	_	
Will oil based drilling flu	ids be used?	Yes		
BOP Equipment Type:		ntor 🔽 Double Ram	Rotating Head	None
Beneficial reuse or la	and application pla	n submitted? No		
Reuse Facility ID:_		or Document Number:		
		<del>-</del>		

#### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	<u>Grade</u>	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	<u>Cmt</u> Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1500	415	1500	0
1ST	8+1/2	5+1/2	HCP110	20	0	18736	2420	18736	1000

Conductor Casing is NOT planned

#### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	<u>Top</u> <u>M.D.</u>	<u>Top</u> T.V.D.	Bottom M.D.	Bottom T.V.D.		Data Source	Comment
Groundwater	LARAMIE-FOX HILLS	0	0	139	139	1001-10000	Other	CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	UPPER PIERRE	300	300	1314	1314	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	PIERRE SHALE	1314	1314	4767	4197			
Hydrocarbon	SUSSEX	4767	4197	5355	4546			
Hydrocarbon	SHANNON	5355	4546	5400	4575			
Confining Layer	PIERRE SHALE	5400	4575	9146	6812			
Hydrocarbon	NIOBRARA	9146	6812	18736	6915			Btm MD=TD, Btm TVD=TVD @ BHL

#### **OPERATOR COMMENTS AND SUBMITTAL**

#### Comments

Revised distance to nearest non-operated well from 308' to 985', per operator. Distance to nearest wellbore belonging to another operator measured to the BLACK WILLOW 1 (AMERICAN PETROFINA / 05-123-09381 / AB). There are no other operator wells with treated interval less 175' from the treated interval of the proposed well. Distance measured in 2D map view.

	•						
This applic	cation is in a Comprehensive Area Plan	No	CAP #:				
Oil and Gas Development Plan Name			- 	OGDP ID:	- #:		
Location II	D:478497						
I hereby o	I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.						
Signed:			Print Name:	JENNIFER LI	ND		
Title:	VP REG & ENV	Date:	1/27/2021	Email:	JENNIFER.LIND@NICKELRO		

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	2/25/2021			
API NUMBER	API NUMBER Expiration Date				
05 123 51533 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	<u>Description</u>		
Drilling/Completion Operations	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.		
Drilling/Completion Operations	<ol> <li>Submit Form 42 electronically to COGCC 2 business days prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 2 business days spud notice for all subsequent wells drilled on the pad.</li> <li>Comply with Rule 317.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log.</li> <li>Oil-based drilling fluid is to be used only after all aquifers are covered.</li> </ol>		
Best Management Practices			

#### **Best Management Practices**

No BMP/COA Type	<u>Description</u>
1 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.
2 Drilling/Completion Operations	Alternative Logging Program: 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 openhole 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 openhole logs were run.
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.

Total: 3 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

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

#### **Attachment List**

Att Doc Num	<u>Name</u>
402576494	APD APPROVED
402584832	OffsetWellEvaluations Data
402584835	DEVIATED DRILLING PLAN
402584836	WELL LOCATION PLAT
402584837	DIRECTIONAL DATA
402584838	LEASE MAP
402610887	OFFSET WELL EVALUATION
402610893	FORM 2 SUBMITTED
402610899	PUBLIC COMMENT-0

Total Attach: 9 Files

#### **General Comments**

User Group	Comment	Comment Date
Permit	Final Review Completed.	02/25/2021
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #402591420 in Location #478497 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	02/24/2021
Engineer	Revised distance to nearest non-operated well from 308' to 985', per operator.	02/24/2021
Permit	Permitting Review Complete.	02/02/2021
Engineer	Offset Wells Evaluated.	02/02/2021

Total: 5 comment(s)

### **FORM** 2

#### **State of Colorado**





**Document Number:** 

402576499

Phone: (303) 894-2100 Fax: (303) 894-2109					
APPLICATION FOR PERMIT TO:	Date Received:` 01/27/2021				
X Drill Deepen Re-enter Recomplete and Operate	Amend				
TYPE OF WELL OIL X GAS COALBED OTHER:	Refile				
ZONE TYPE SINGLE ZONE X MULTIPLE ZONES COMMINGLE ZONES	Sidetrack				
Well Name: BLEHM WEST Well Number: 5X-HNC-07-07-67					
Name of Operator: NICKEL ROAD OPERATING LLC COGCC Operator I	Number: 10669				
Address: 1600 STOUT STREET SUITE 1850					
City: DENVER State: CO Zip: 80202					
Contact Name: JENNIFER LIND Phone: (303)406-1117 Fax: ( )					
Email: JENNIFER.LIND@NICKELROADOPERATING.COM					
RECLAMATION FINANCIAL ASSURANCE					
Plugging and Abandonment Bond Surety ID:20200034					
WELL LOCATION INFORMATION					
Surface Location					
QtrQtr:   NENE   Sec:   9   Twp:   7N   Rng:   67W   Meridian:   6					
FNL/FSL FEL/FWL Footage at Surface: 470 Feet FNL 658 Feet FEL					
Footage at Surface:470 FeetFNL658 FeetFEL  Latitude: 40.594667Longitude: -104.890999					
	Measurement: 11/14/2020				
Ground Elevation: 5088	<u> </u>				
Field Name: WATTENBERG Field Number: 90750					
Well Plan: is Directional X Horizontal (highly deviated) Vertial					
If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.					
Subsurface Locations					
Top of Productive Zone (TPZ)					
Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 2337 F	SL 460 FEL				
Measured Depth of TPZ: 9764 True Vertical Depth of TPZ: 7010	/FSL FEL/FWL				
Base of Productive Zone (BPZ)					
	SL 460 FWL				
` ` `	/FSL FEL/FWL				
Bottom Hole Location (BHL)					
Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 2339 F	SL 460 FWL				
FNL/I	FSL FEL/FWL				

#### LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD	Municipalit	y: N/A				
Is the Surface Location of this Well	in an area designated as one	of State interest	and subje	ct to the require	ments of §	
24-65.1-108 C.R.S.? Yes						
Per § 34-60-106(1)(f)(l)(A) C.R.S., proposed Oil and Gas Location.	the following questions pertain	to the Relevant	Local Gov	ernment approv	al of the siting	of the
SB 19-181 provides that when "app permit and the disposition of that pe (A) C.R.S.						
Does the Relevant Local Governme	ent regulate the siting of Oil an	d Gas Locations,	with respe	ect to this Locat	ion? X Ye	es No
X If yes, in checking this box, I the siting of the proposed oil	hereby certify that an application	on has been filed	with the lo	ocal governmen	t with jurisdiction	on to approve
The disposition of the application fil	ed with the Relevant Local Go	overnment is: A	pproved	Date of Fin	al Disposition:	09/03/2020
Comments: 1041WOGLA20-0076	3					
SURFACE AND MINERAL C	OWNERSHIP AT WELL'S	OIL & GAS				
LOCATION			_			
Surface Owner of the land at this W	/ell's Oil and Gas Location:	X Fee	State	Federal	Indian	
Mineral Owner beneath this Well's		X Fee	State	Federal	Indian	
Surface Owner Protection Financial	Assurance (if applicable):		Sur —	ety ID Number	(if applicable):	
MINERALS DEVELOPED WELL	O BY					
State State Federal Indian N/A  LEASE INFORMATION  Using standard QtrQtr, Section, To this Well is within a unit, describe to a unit (Attach a Lease Map or Lease Described SEE ATTACHED LEASE MAP	ibe a lease that will be develor it, describe the lease that will b	ped by the Well. be produced by th		as follows:		
Total Acres in Described Lease:	142 Described M	lineral Lease is:	X Fee	State	Federal	Indian
Federal or State Lease #						
SAFETY SETBACK INFORMATION						
Distance from Well to nearest:			INSTRUCTI	ONS:		
Building:	2086 Feet			l distances per R		
Building Unit:	2086 Feet			30 for distance gr nearest building		I
Public Road:	458 Feet		Building is	a Building Unit, 6		I
Above Ground Utility:	427 Feet		both. - Building l	Jnit – as defined	in 100 Series Rul	es.
Railroad:	5280 Feet					
Naiii Uau.						

Prop	erty Line:	449 Feet							
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	407-2769	1280	SEC.7&8: ALL					
Federal or State Unit	Name (if appl):		U	nit Number:					
SUBSURFACE MIN SETBACKS	ERAL	Enter 5280 for dista	nce greater than 1 mile.						
Is this Well within a uni	t? Yes								
If YES:									
		ne Completed Zone of this V		460 Feet					
		·	Vell to the Completed Zone of a	n offset Well within the same					
unit permitted or	completed in the s	ame formation: 619	Feet						
If NO:									
		•	I to the Lease Line of the descri						
		•	I to the Completed Zone of an o	offset Well producing from					
the same lease and	permitted or com	pleted in the same formation	n: Feet						
<b>Exception Location</b>									
If this Well requires	the approval of a	Rule 401.c Exception Locat	tion, enter the Rule or spacing o	order number and attach the					
Exception Location	Request and Wair	vers.							
CDACING & FORM	TIONS COMM	IENTO							
SPACING & FORMA	ATIONS COMM	IEN 15							
DRILLING PROGRA	M								
Proposed Total Measur	red Depth: 1898	S2 Feet TV	D at Proposed Total Measured	Depth 7010 Feet					
Distance from the property	osed wellbore to no	earest existing or proposed	wellbore belonging to another of	operator, including plugged wells:					
Enter distance if less th	an or equal to 1,50	00 feet: 340 Feet	No well belonging to and	other operator within 1,500 feet					
Will a closed-loop drilling	ng system be used	? <u>Yes</u>							
Is H <sub>2</sub> S gas reasonably			erations at concentrations great						
or equal to 100 ppm?		_		with the Form 2A per Rule 304.c.(10).					
•		at a depth less than 2,000 for	eet in this well? No						
Will salt sections be en	_								
Will salt based (>15,00		luids be used? No	_						
Will oil based drilling flu		Yes							
BOP Equipment Type:		entor 🔀 Double Ram	Rotating Head	None					
Beneficial reuse or la	and application pla	n submitted? No							
Reuse Facility ID:		or Document Number:							

#### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	<u>Grade</u>	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1500	415	1500	0
1ST	8+1/2	5+1/2	HCP110	20	0	18982	2450	18982	1000

Conductor Casing is NOT planned

#### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	<u>Top</u> <u>M.D.</u>	<u>Top</u> T.V.D.	Bottom M.D.	Bottom T.V.D.	<u>TDS</u> (mg/L)	Data Source	Comment
Groundwater	LARAMIE-FOX HILLS	0	0	139	139	1001-10000	Other	CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	UPPER PIERRE	300	300	1314	1314	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	PIERRE SHALE	1314	1314	4787	4204			
Hydrocarbon	SUSSEX	4787	4204	5381	4553			
Hydrocarbon	SHANNON	5381	4553	5436	4582			
Confining Layer	PIERRE SHALE	5436	4582	9231	6819			
Hydrocarbon	NIOBRARA	9231	6819	18982	7010			Btm MD=TD, Btm TVD=TVD @ BHL

#### **OPERATOR COMMENTS AND SUBMITTAL**

#### Comments

Revised the distance to the nearest non-operated well from 395' to 340', per operator. Distance to nearest wellbore belonging to another operator measured to the BLACK WILLOW 1 (AMERICAN PETROFINA / 05-123-09381 / AB). There are no other operator wells with treated interval less 175' from the treated interval of the proposed well. Distance measured in 2D map view.

cation is in a Comprehensive Area Plan	No	CAP #:						
as Development Plan Name			OGDP ID#	t:				
D:478497								
I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.								
		Print Name:	JENNIFER LIN	ND				
VP REG & ENV	Date: _	1/27/2021	Email:	JENNIFER.LIND@NICKELRO				
	certify all statements made in this form are,	as Development Plan Name  D:478497  certify all statements made in this form are, to the best of n	as Development Plan Name  D:478497  certify all statements made in this form are, to the best of my knowledge, t  Print Name:	D: 478497 certify all statements made in this form are, to the best of my knowledge, true, correct, are Print Name: JENNIFER LIN				

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:	2/25/2021					
API NUMBER	Expiration Date:	02/24/2024					
05 123 51529 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	<u>Description</u>
Drilling/Completion Operations	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.
Drilling/Completion Operations	<ol> <li>Submit Form 42 electronically to COGCC 2 business days prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 2 business days spud notice for all subsequent wells drilled on the pad.</li> <li>Comply with Rule 317.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log.</li> <li>Oil-based drilling fluid is to be used only after all aquifers are covered.</li> </ol>

# **Best Management Practices**

No	BMP/COA Type	<u>Description</u>
1	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.
2	Drilling/Completion Operations	Alternative Logging Program: 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 openhole 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 openhole logs were run.
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.

Total: 3 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

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

# **Attachment List**

Att Doc Num	<u>Name</u>
402576499	APD APPROVED
402584903	OffsetWellEvaluations Data
402584904	DEVIATED DRILLING PLAN
402584905	WELL LOCATION PLAT
402584906	LEASE MAP
402584907	DIRECTIONAL DATA
402610882	OFFSET WELL EVALUATION
402610894	FORM 2 SUBMITTED
402610902	PUBLIC COMMENT-0

Total Attach: 9 Files

# **General Comments**

User Group	Comment	Comment Date
Permit	Final Review Completed.	02/25/2021
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #402591420 in Location #478497 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	02/24/2021
Engineer	Revised the distance to the nearest non-operated well from 395' to 340', per operator.	02/24/2021
Permit	Permitting Review Complete.	02/02/2021
Engineer	Offset Wells Evaluated.	02/02/2021

Total: 5 comment(s)

# **FORM** 2 Rev

# **State of Colorado**

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203

Phone: (202) 904 2100 Ferr (202) 204 2170





**Document Number:** 

402576514

	12/20	`	3) 894-2100 Fax: (303) 3		DNI		ite Recei 01/27/	
Value	X Drill	Deepen	Re-enter	Recomplete and	Operate	Aı	mend 🗌	
Well Name: BLEHM WEST	TYPE OF WELL	OIL X GAS	COALBED C	OTHER:		F	Refile	
Name of Operator: NICKEL ROAD OPERATING LLC	ZONE TYPE	SINGLE ZONE X	MULTIPLE ZONES	COMMINGLE ZONES	-	Side	track	
Address: 1600 STOUT STREET SUITE 1850   City:   DENVER   State:   CO   Zip:   80202	Well Name: BLE	HM WEST		Well Number: 7X-HN	B-07-07-67			
City:   DENVER	Name of Operato	or: NICKEL ROAD OF	PERATING LLC	COG	SCC Operat	or Number:	10	669
Contact Name:   JENNIFER LIND	Address: 1600 S	TOUT STREET SUIT	E 1850					
RECLAMATION FINANCIAL ASSURANCE   Plugging and Abandonment Bond Surety ID:	City: DE	NVER	State: CO	Zip: 80202				
Plugging and Abandonment Bond Surety ID:	_			_ <del></del>	)			
Plugging and Abandonment Bond Surety ID:	RECLAMATIO	ON FINANCIAL A	SSLIBANCE					
WELL LOCATION INFORMATION								
Surface Location  QtrQtr: NENE								
QtrQtr: NENE	WELL LOCAT	TION INFORMATI	ON					
Footage at Surface: 500 Feet FNL 660 Feet FEL/FWL Latitude: 40.594585 Longitude: -104.891006  GPS Data: GPS Quality Value: 2.0 Type of GPS Quality Value: PDOP Date of Measurement: 11/14/2020  Ground Elevation: 5088  Field Name: WATTENBERG Field Number: 90750  Well Plan: is Directional X Horizontal (highly deviated) Vertial  If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.  Subsurface Locations  Top of Productive Zone (TPZ)  Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 1100 FSL 460 FEL  Measured Depth of TPZ: 10252 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Base of Productive Zone (BPZ)  Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 1102 FSL 460 FWL  Measured Depth of TPZ: 19457 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Bottom Hole Location (BHL)  Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 1102 FSL 460 FWL	Surface Location	n						
Footage at Surface: 500 Feet FNL 660 Feet FEL  Latitude: 40.594585 Longitude: -104.891006  GPS Data: GPS Quality Value: 2.0 Type of GPS Quality Value: PDOP Date of Measurement: 11/14/2020  Ground Elevation: 5088  Field Name: WATTENBERG Field Number: 90750  Well Plan: is Directional X Horizontal (highly deviated) Vertial  If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.  Subsurface Locations  Top of Productive Zone (TPZ)  Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 1100 FSL 460 FEL  Measured Depth of TPZ: 10252 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Base of Productive Zone (BPZ)  Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 1102 FSL 460 FWL  Measured Depth of TPZ: 19457 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Bottom Hole Location (BHL)  Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 1102 FSL 460 FWL	QtrQtr: NENE	Sec: 9	Twp: 7N Rng:	67W Meridian: 6	_			
Latitude: 40.594585 Longitude: -104.891006  GPS Data: GPS Quality Value: 2.0 Type of GPS Quality Value: PDOP Date of Measurement: 11/14/2020  Ground Elevation: 5088 Field Name: WATTENBERG Field Number: 90750  Well Plan: is Directional X Horizontal (highly deviated) Vertial  If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.  Subsurface Locations  Top of Productive Zone (TPZ)  Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 1100 FSL 460 FEL  Measured Depth of TPZ: 10252 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Base of Productive Zone (BPZ)  Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 1102 FSL 460 FWL  Measured Depth of TPZ: 19457 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Bottom Hole Location (BHL)  Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 1102 FSL 460 FWL	Footage at S	Surface: 500						
GPS Data: GPS Quality Value: 2.0 Type of GPS Quality Value: PDOP Date of Measurement: 11/14/2020  Ground Elevation: 5088 Field Name: WATTENBERG Field Number: 90750  Well Plan: is Directional X Horizontal (highly deviated) Vertial  If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.  Subsurface Locations  Top of Productive Zone (TPZ)  Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 1100 FSL 460 FEL  Measured Depth of TPZ: 10252 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Base of Productive Zone (BPZ)  Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 1102 FSL 460 FWL  Measured Depth of TPZ: 19457 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Bottom Hole Location (BHL)  Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 1102 FSL 460 FWL								
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If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.  Subsurface Locations  Top of Productive Zone (TPZ)  Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 1100 FSL 460 FEL Measured Depth of TPZ: 10252 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Base of Productive Zone (BPZ)  Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 1102 FSL 460 FWL Measured Depth of TPZ: 19457 True Vertical Depth of TPZ: 6915 FNL/FSL FEL/FWL  Bottom Hole Location (BHL)  Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 1102 FSL 460 FWL	Field Name: W	ATTENBERG	Field Nu	mber: 90750				
Subsurface Locations   Top of Productive Zone (TPZ)   Sec: 8   Twp: 7N   Rng: 67W   Footage at TPZ: 1100   FSL   460   FEL   FEL/FWL	Well Plan: is	Directional X	Horizontal (highly devi	ated) Vertial				
Top of Productive Zone (TPZ)           Sec:         8         Twp:         7N         Rng:         67W         Footage at TPZ:         1100         FSL         460         FEL           Measured Depth of TPZ:         10252         True Vertical Depth of TPZ:         6915         FNL/FSL         FEL/FWL           Base of Productive Zone (BPZ)         Sec:         7         Twp:         7N         Rng:         67W         Footage at TPZ:         1102         FSL         460         FWL           Measured Depth of TPZ:         19457         True Vertical Depth of TPZ:         6915         FNL/FSL         FEL/FWL           Bottom Hole Location (BHL)         Sec:         7         Twp:         7N         Rng:         67W         Footage at BHL:         1102         FSL         460         FWL					onal Data.			
Sec:         8         Twp:         7N         Rng:         67W         Footage at TPZ:         1100         FSL         460         FEL           Measured Depth of TPZ:         10252         True Vertical Depth of TPZ:         6915         FNL/FSL         FEL/FWL           Base of Productive Zone (BPZ)         Sec:         7         Twp:         7N         Rng:         67W         Footage at TPZ:         1102         FSL         460         FWL           Measured Depth of TPZ:         19457         True Vertical Depth of TPZ:         6915         FNL/FSL         FEL/FWL           Bottom Hole Location (BHL)         Sec:         7         Twp:         7N         Rng:         67W         Footage at BHL:         1102         FSL         460         FWL	Subsurface Loca	ations						
Measured Depth of TPZ:10252	Top of Productiv	e Zone (TPZ)						
Base of Productive Zone (BPZ)   Sec: 7   Twp: 7N   Rng: 67W   Footage at TPZ: 1102   FSL   460   FWL     Measured Depth of TPZ: 19457   True Vertical Depth of TPZ: 6915   FNL/FSL     Bottom Hole Location (BHL)   Sec: 7   Twp: 7N   Rng: 67W   Footage at BHL: 1102   FSL   460   FWL     FEL/FWL   FOOTage at BHL: 1102   FSL   460   FWL     FEL/FWL	Sec:	8 Twp:7	N Rng: 67W	Footage at TPZ:	1100	FSL	460	FEL
Sec:         7         Twp:         7N         Rng:         67W         Footage at TPZ:         1102         FSL         460         FWL           Measured Depth of TPZ:         19457         True Vertical Depth of TPZ:         6915         FNL/FSL         FEL/FWL           Bottom Hole Location (BHL)         Sec:         7         Twp:         7N         Rng:         67W         Footage at BHL:         1102         FSL         460         FWL	Mea	sured Depth of TPZ:	10252	True Vertical Depth of TPZ:	6915 <sup>F</sup>	FNL/FSL		FEL/FWL
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Bottom Hole Location (BHL)  Sec:7Twp:7NRng: _67W Footage at BHL:1102FSL460FWL	Sec	:7 Twp:7	N Rng: 67W	Footage at TPZ:	1102	FSL	460	FWL
Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 1102 FSL 460 FWL	Mea	sured Depth of TPZ:	19457	True Vertical Depth of TPZ:	6915 <sup>F</sup>	FNL/FSL		FEL/FWL
	Bottom Hole Loc	cation (BHL)						
FNL/FSL FEL/FWL	Sec	:7 Twp:7	N Rng: 67W	Footage at BHL:	1102	FSL	460	FWL
		-			F	NL/FSL		FEL/FWL

County: WELD	Municipalit	y: N/A				
Is the Surface Location of this Well	l in an area designated as one	of State interest	and subjec	ct to the requirer	ments of §	
24-65.1-108 C.R.S.? Yes						
Per § 34-60-106(1)(f)(I)(A) C.R.S., proposed Oil and Gas Location.	the following questions pertain	to the Relevant	Local Gove	ernment approva	al of the siting o	of the
SB 19-181 provides that when "approximate and the disposition of that potential (A) C.R.S.						
Does the Relevant Local Governme	ent regulate the siting of Oil an	d Gas Locations,	with respe	ect to this Locati	on? X Ye	es No
If yes, in checking this box, I the siting of the proposed oil	hereby certify that an application and gas location.	on has been filed	with the lo	ocal government	t with jurisdictio	n to approve
The disposition of the application fil	ed with the Relevant Local Go	vernment is: A	pproved	Date of Fina	al Disposition:	09/03/2020
Comments: 1041WOGLA20-007	6					
SURFACE AND MINERAL OLOCATION	OWNERSHIP AT WELL'S	OIL & GAS				
Surface Owner of the land at this W	/ell's Oil and Gas Location:	X Fee	State	Federal	Indian	
Mineral Owner beneath this Well's		X Fee	State	Federal	Indian	
Surface Owner Protection Financia		<b>X</b> 100		ety ID Number (	_	
MINERALS DEVELOPED WELL	_		_		` - ' -	
The ownership of all the mineral  X Fee  State  Federal  Indian  N/A  LEASE INFORMATION  Using standard QtrQtr, Section, To this Well is within a unit, descrel to a un (Attach a Lease Map or Lease Described Lease:  SEE ATTACHED LEASE MAP  Total Acres in Described Lease: Federal or State Lease #	ownship, Range format describ ibe a lease that will be develop it, describe the lease that will b scription or Lease if necessary	ne one entire min oed by the Well. De produced by th	eral lease a		Federal	Indian
CAECTY SETDACY						
SAFETY SETBACK INFORMATION						
Distance from Well to nearest:			INSTRUCTION		ulo 200 h /4\	
Building:	Feet			l distances per Ru O for distance gre		<u>.</u>
Building Unit:	Feet		- Building -	nearest building	of any type. If ne	earest
Public Road:	488 Feet		Building is a both.	a Building Unit, e	nter same distan	ice for
Above Ground Utility:	457 Feet			Jnit – as defined i	n 100 Series Rul	es.
Railroad:	5280 Feet					

Prop	erty Line:	479 Feet		
OBJECTIVE FORM	ATIONS			
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	407-2769	1280	SEC.7&8: ALL
Federal or State Unit	Name (if appl):		U	nit Number:
SUBSURFACE MINI SETBACKS	ERAL	Enter 5280 for dista	nce greater than 1 mile.	
Enter the minimu	m distance from th	•	Vell to the Unit Boundary:  Vell to the Completed Zone of a  Feet	460 Feet n offset Well within the same
If NO:				
	listance from the (	Completed Zone of this Well	I to the Lease Line of the descri	hed lease.
		•	I to the Completed Zone of an o	
		•	•	miset well producing from
the same lease and	permitted or comp	oleted in the same formation	n: Feet	
Exception Location  If this Well requires Exception Location  SPACING & FORMA	Request and Waiv	vers	ion, enter the Rule or spacing o	order number and attach the
DRILLING PROGRA	М			
Proposed Total Measur	ed Depth: 1945	7 Feet TV	D at Proposed Total Measured	Depth 6915 Feet
Distance from the propo	osed wellbore to ne	earest existing or proposed	wellbore belonging to another of	pperator, including plugged wells:
Enter distance if less that	an or equal to 1,50	00 feet: 410 Feet	No well belonging to and	other operator within 1,500 feet
Will a closed-loop drillin	•			·
or equal to 100 ppm?  Will there be hydraulic f Will salt sections be end Will salt based (>15,000 Will oil based drilling flu	No If yes, attaracture treatment accountered during do ppm CI) drilling flids be used?	ach an H2S Drilling Plan unler at a depth less than 2,000 for a limit of the second sec	eet in this well? No	with the Form 2A per Rule 304.c.(10).
BOP Equipment Type:			Rotating Head	None
Beneficial reuse or la	and application pla	n submitted? No		
Reuse Facility ID:_		or Document Number:		

#### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	<u>Grade</u>	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	<u>Cmt</u> Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1500	415	1500	0
1ST	8+1/2	5+1/2	HCP110	20	0	19457	2520	19457	1000

Conductor Casing is NOT planned

#### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	<u>Top</u> <u>M.D.</u>	<u>Top</u> <u>T.V.D.</u>	Bottom M.D.	Bottom T.V.D.	<u>TDS</u> (mg/L)	Data Source	Comment
Groundwater	LARAMIE-FOX HILLS	0	0	139	139	1001-10000	Other	CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	UPPER PIERRE	300	300	1314	1314	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	PIERRE SHALE	1314	1314	4821	4197			
Hydrocarbon	SUSSEX	4821	4197	5490	4546			
Hydrocarbon	SHANNON	5490	4546	5543	4575			
Confining Layer	PIERRE SHALE	5543	4575	9836	6812			
Hydrocarbon	NIOBRARA	9836	6812	19457	6915			Btm MD=TD, Btm TVD=TVD @ BHL

#### **OPERATOR COMMENTS AND SUBMITTAL**

#### Comments

Revised the distance to the nearest non-operated well from 485' to 410', per operator. Distance to nearest wellbore belonging to another operator measured to the WALT 08W-20-01C (EXTRACTION / 05-123-45244 / XX). There are no other operator wells with treated interval less 175' from the treated interval of the proposed well. Distance measured in 2D map view.

	•						
This applic	cation is in a Comprehensive Area Plan	No	CAP #:				
Oil and Gas Development Plan Name OGDP ID#:							
Location ID:478497							
I hereby o	ertify all statements made in this form are, t	to the best of r	my knowledge, t	true, correct, ar	nd complete.		
Signed:			Print Name:	JENNIFER LI	ND		
Title:	VP REG & ENV	Date:	1/27/2021	Email:	JENNIFER.LIND@NICKELRO		

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	e: <u>2/25/2021</u>				
API NUMBER	Expiration Date	e: <u>02/24/2024</u>				
05 123 51532 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	<u>Description</u>				
Drilling/Completion Operations	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.				
Drilling/Completion Operations	<ol> <li>Submit Form 42 electronically to COGCC 2 business days prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 2 business days spud notice for all subsequent wells drilled on the pad.</li> <li>Comply with Rule 408.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log.</li> <li>Oil-based drilling fluid is to be used only after all aquifers are covered.</li> </ol>				
Best Management Practices					

No	BMP/COA Type	<u>Description</u>
1	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.
2	Drilling/Completion Operations	Alternative Logging Program: 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 openhole 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 openhole logs were run.
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.

Total: 3 comment(s)

# **Applicable Policies and Notices to Operators**

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

# **Attachment List**

Att Doc Num	<u>Name</u>
402576514	APD APPROVED
402584942	OffsetWellEvaluations Data
402584946	LEASE MAP
402584947	DEVIATED DRILLING PLAN
402584948	WELL LOCATION PLAT
402584949	DIRECTIONAL DATA
402610886	OFFSET WELL EVALUATION
402610896	FORM 2 SUBMITTED
402610901	PUBLIC COMMENT-0

Total Attach: 9 Files

# **General Comments**

User Group	Comment	<b>Comment Date</b>
Permit	Final Review Completed.	02/25/2021
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #402591420 in Location #478497 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	02/24/2021
Engineer	Revised the distance to the nearest non-operated well from 485' to 410', per operator.	02/24/2021
Permit	Permitting Review Complete.	02/02/2021
Engineer	Offset Wells Evaluated.	02/02/2021

Total: 5 comment(s)

# **FORM** 2 Rev

# **State of Colorado**





**Document Number:** 

402576518

Phone: (303) 894-2100 Fax: (303) 894-2109	
APPLICATION FOR PERMIT TO:	Date Received:` 01/27/2021
X Drill Deepen Re-enter Recomplete and Operate	Amend
TYPE OF WELL OIL X GAS COALBED OTHER:	Refile
ZONE TYPE SINGLE ZONE X MULTIPLE ZONES COMMINGLE ZONES	Sidetrack
Well Name: BLEHM WEST Well Number: 8X-HNC-07-07-67	_
Name of Operator: NICKEL ROAD OPERATING LLC COGCC Operator Numl	ber: 10669
Address: 1600 STOUT STREET SUITE 1850	
City: DENVER State: CO Zip: 80202	
Contact Name: JENNIFER LIND Phone: (303)406-1117 Fax: ( )	
Email: JENNIFER.LIND@NICKELROADOPERATING.COM	
RECLAMATION FINANCIAL ASSURANCE	
Plugging and Abandonment Bond Surety ID:20200034	
WELL LOCATION INFORMATION	
WELL LOCATION INFORMATION	
Surface Location	
QtrQtr: NENE Sec: 9 Twp: 7N Rng: 67W Meridian: 6	
FNL/FSL FEL/FWL Footage at Surface: 545 Feet FNL 662 Feet FEL	
Latitude: 40.594461 Longitude: -104.891015	
	surement: 11/14/2020
Ground Elevation: 5088	
Field Name: WATTENBERG Field Number: 90750	
Well Plan: is Directional X Horizontal (highly deviated) Vertial	
If Well plan is Directional or Horizontal attach Deviated Drilling Plan and Directional Data.	
Subsurface Locations	
Top of Productive Zone (TPZ)	
Sec: 8 Twp: 7N Rng: 67W Footage at TPZ: 482 FSL	460 FEL
Measured Depth of TPZ: 10617 True Vertical Depth of TPZ: 7015 FNL/FSL	FEL/FWL
Base of Productive Zone (BPZ)	
Sec: 7 Twp: 7N Rng: 67W Footage at TPZ: 484 FSL	460 FWL
Measured Depth of TPZ: 19815 True Vertical Depth of TPZ: 7010 FNL/FSL	FEL/FWL
Bottom Hole Location (BHL)	
Sec: 7 Twp: 7N Rng: 67W Footage at BHL: 484 FSL	460 FWL
FNL/FSL	FEL/FWL

#### LOCAL GOVERNMENT PERMITTING INFORMATION

County: WELD	Municipalit	y: N/A				
Is the Surface Location of this Well	in an area designated as one	of State interest	and subje	ct to the require	ments of §	
24-65.1-108 C.R.S.? Yes						
Per § 34-60-106(1)(f)(l)(A) C.R.S., proposed Oil and Gas Location.	the following questions pertain	n to the Relevant I	Local Gov	ernment approv	al of the siting	of the
SB 19-181 provides that when "app permit and the disposition of that pe (A) C.R.S.						
Does the Relevant Local Governme	ent regulate the siting of Oil an	d Gas Locations,	with respe	ect to this Locat	ion? X Ye	es No
X If yes, in checking this box, I the siting of the proposed oil	nereby certify that an application and gas location.	on has been filed	with the lo	ocal governmen	t with jurisdiction	on to approve
The disposition of the application fil	ed with the Relevant Local Go	overnment is: Ap	oproved	Date of Fina	al Disposition:	09/03/2020
Comments: 1041WOGLA20-0076	6					
SURFACE AND MINERAL C	OWNERSHIP AT WELL'S	S OIL & GAS				
LOCATION			_			
Surface Owner of the land at this W	ell's Oil and Gas Location:	X Fee	State	Federal	Indian	
Mineral Owner beneath this Well's		X Fee	State	Federal	Indian	
Surface Owner Protection Financial	Assurance (if applicable):		Sur —	ety ID Number	(if applicable):	
MINERALS DEVELOPED WELL	) BY					
State State Federal Indian N/A  LEASE INFORMATION  Using standard QtrQtr, Section, To this Well is within a unit, describe to a unit (Attach a Lease Map or Lease Description)  SEE ATTACHED LEASE MAP	ibe a lease that will be develor t, describe the lease that will be	ped by the Well. be produced by th		as follows:		
Total Acres in Described Lease:	142 Described M	lineral Lease is:	X Fee	State	Federal	Indian
Federal or State Lease #				_	<del></del>	<del>_</del>
SAFETY SETBACK INFORMATION						
Distance from Well to nearest:			INSTRUCTI	ONS:		
Building:	2071 Feet			l distances per Ru		
Building Unit:	2071 Feet			30 for distance grone nearest building		I
Public Road:	 533 Feet		Building is	a Building Unit, e		I
Above Ground Utility:	502 Feet		both. - Building l	Jnit – as defined	in 100 Series Rul	es.
Railroad:	5280 Feet					
Kaiiloau.		·				

Prop	perty Line:	524 Feet					
OBJECTIVE FORM	ATIONS						
Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)			
NIOBRARA	NBRR	407-2769	1280	SEC.7&8: ALL			
Federal or State Unit Name (if appl): Unit Number:							
SUBSURFACE MIN SETBACKS	ERAL	Enter 5280 for dista	nce greater than 1 mile.				
Is this Well within a uni	t? Yes						
If YES:							
		e Completed Zone of this V		460 Feet			
		·	Vell to the Completed Zone of a	n offset Well within the same			
unit permitted or	completed in the s	ame formation: 150	Feet				
If NO:							
		•	I to the Lease Line of the descri				
		•	I to the Completed Zone of an o	offset Well producing from			
the same lease and	d permitted or com	pleted in the same formation	n: Feet				
<b>Exception Location</b>							
If this Well requires	the approval of a	Rule 401.c Exception Locat	ion, enter the Rule or spacing o	order number and attach the			
Exception Location	Request and Wai	vers.					
SPACING & FORMA	TIONS COMM	IENTO					
SPACING & FURIVIA	ATIONS COMIN	IEN 13					
DRILLING PROGRA	M						
Proposed Total Measur	red Depth: 1981	5 Feet TV	D at Proposed Total Measured	Depth 7010 Feet			
Distance from the property	osed wellbore to no	earest existing or proposed	wellbore belonging to another of	pperator, including plugged wells:			
Enter distance if less th	an or equal to 1,50	00 feet: 397 Feet	No well belonging to and	other operator within 1,500 feet			
Will a closed-loop drilling	ng system be used	? <u>Yes</u>					
Is H <sub>2</sub> S gas reasonably	-		erations at concentrations great				
or equal to 100 ppm?	<del></del>	_		with the Form 2A per Rule 304.c.(10).			
Will there be hydraulic fracture treatment at a depth less than 2,000 feet in this well?  No							
Will salt sections be encountered during drilling?No							
Will salt based (>15,000 ppm Cl) drilling fluids be used? No							
Will oil based drilling flu		Yes					
BOP Equipment Type:	X Annular Preve	ntor 🔀 Double Ram	Rotating Head	None			
Beneficial reuse or la	and application pla	n submitted? No					
Reuse Facility ID:		or Document Number:					

#### CASING PROGRAM

Casing Type	Size of Hole	Size of Casing	<u>Grade</u>	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	16	N/A	42	0	80	100	80	0
SURF	13+1/2	9+5/8	K55	36	0	1500	415	1500	0
1ST	8+1/2	5+1/2	HCP110	20	0	19815	2550	19815	1000

Conductor Casing is NOT planned

#### POTENTIAL FLOW AND CONFINING FORMATIONS

Zone Type	Formation /Hazard	<u>Top</u> <u>M.D.</u>	<u>Top</u> <u>T.V.D.</u>	Bottom M.D.	Bottom T.V.D.	<u>TDS</u> (mg/L)	Data Source	Comment
Groundwater	LARAMIE-FOX HILLS	0	0	139	139	1001-10000	Other	CSU - Domestic Water Analysis Report - Larry Moore Well - 176559
Groundwater	UPPER PIERRE	300	300	1314	1314	1001-10000	Other	Water Quality and the Presence and Origin of Methane in the Upper Pierre Aquifer in Northeastern Weld County, Morgan County and Logan County, Colorado COGCC Project Number 2141 October 2017
Confining Layer	PIERRE SHALE	1314	1314	4855	4209			
Hydrocarbon	SUSSEX	4855	4209	5542	4558			
Hydrocarbon	SHANNON	5542	4558	5598	4587			
Confining Layer	PIERRE SHALE	5598	4587	10010	6824			
Hydrocarbon	NIOBRARA	10010	6824	19815	7010			Btm MD=TD, Btm TVD=TVD @ BHL

#### **OPERATOR COMMENTS AND SUBMITTAL**

~ ~	 	 -1-
Co		

Distance from completed portion to nearest completed portion of wellbore permitted/completed in the same formation and subject to the proposed spacing order measured to the WALT 08W-20-01C (Extraction, XX, 05-123-45244). Please note, the portion of the proposed wellbore located within 150' of the offset operator wellbore will not be completed. Distances measured in 3D anti-collision.

This applic	cation is in a Comprehensive Area Plan	No	CAP #:		
Oil and Gas Development Plan Name				OGDP ID#	: ::
Location II	D:478497				
I hereby o	ertify all statements made in this form are, to	the best of r	ny knowledge, t	rue, correct, an	d complete.
Signed:			Print Name:	JENNIFER LIN	ND
Title:	VP REG & ENV	Date:	1/27/2021	Email:	JENNIFER.LIND@NICKELRO

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:	2/25/2021			
API NUMBER	Expiration Date:	02/24/2024			
05 123 51527 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	<u>Description</u>
Drilling/Completion Operations	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.
Drilling/Completion Operations	<ol> <li>Submit Form 42 electronically to COGCC 2 business days prior to MIRU (Spud Notice), for the first well/activity on the pad and provide 2 business days spud notice for all subsequent wells drilled on the pad.</li> <li>Comply with Rule 408.j and provide cement coverage from the end of production casing to a minimum of 500' above Niobrara. Verify coverage with cement bond log.</li> <li>Oil-based drilling fluid is to be used only after all aquifers are covered.</li> </ol>
	Doct Management Departing

# **Best Management Practices**

No	BMP/COA Type	<u>Description</u>
1	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.
2	Drilling/Completion Operations	Alternative Logging Program: 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 openhole 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 openhole logs were run.
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.

Total: 3 comment(s)

### **Applicable Policies and Notices to Operators**

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

# **Attachment List**

Att Doc Num	<u>Name</u>
402576518	APD APPROVED
402584960	OffsetWellEvaluations Data
402584962	LEASE MAP
402584963	DEVIATED DRILLING PLAN
402584964	WELL LOCATION PLAT
402584965	DIRECTIONAL DATA
402610880	OFFSET WELL EVALUATION
402610897	FORM 2 SUBMITTED
402610905	PUBLIC COMMENT-0

Total Attach: 9 Files

#### **General Comments**

<u>User Group</u>	Comment	Comment Date
Permit	Final Review Completed.	02/25/2021
OGLA	This Location and its associated materials was fully reviewed in the review of this APD in accordance with current Rules. See Sundry doc #402591420 in Location #478497 file for additional information. This APD complies with all COGCC Rules and is adequately protective of public health, safety, welfare, the environment, and wildlife resources. OGLA task passed.	02/24/2021
Permit	Pending - requesting correction to distance to well. In Process - Operator provided corrected distance nearest well and comment. Permitting Review Complete.	02/02/2021
Engineer	Offset Wells Evaluated.	02/02/2021

Total: 4 comment(s)



# Conveyance Document

Please note the following draft deed/assignment has been prepared by the seller in advance of sale. The successful buyer agrees to accept title to the lots pursuant to said deeds or assignments. Seller shall not be obligated or required to modify or change said deeds or assignments unless a correction is required to properly convey the interests being sold.

# MINERAL AND ROYALTY DEED

KNOW ALL MEN BY THESE PRESENTS, That  Fe, NM 87508, hereinafter called "Grantor" (whether one or more), for and in consideration of the sum of Ten Dollars (\$10.00) cash in hand paid and other good and valuable considerations, which is acknowledged, does hereby grant, bargain, sell, convey, and deliver untowhose address is, hereinafter called "Grantee",
One-Eleventh (1/11th) of Grantor's right, title & interest and any reversionary or after acquired title and interest in and to all of the oil, gas, and other minerals, including all royalty in and under and that may be produced from the following described lands in Weld County, Colorado, to-wit:
Township 7 North. Range 67 West. 6th P.M.
Section 8: Part of the NE/4 described as Lot 9, Prairie Ridge Estates Subdivision MF-1053, according to the plat recorded July 6, 2005 at Reception No. 3300326
together with the right of ingress and egress at all times for the purposes of mining, drilling, exploring, operating, and developing said lands for oil, gas and other minerals and storing, handling, transporting and marketing the same there from.
This sale is made subject to any rights now existing to any lessee or assigns under any valid and subsisting oil and gas lease of record heretofore executed and now of legal record; it being understood and agreed that said Grantee shall have, receive, and enjoy the herein granted undivided interest in and to all bonuses, rents, royalties and other benefits which may accrue under the terms of said lease insofar as it covers the above described land from and after the date hereof, precisely as if Grantee herein had been the owner of similar undivided interests at the date of such lease and lessors therein.
This conveyance includes all unpaid past and future royalties, overriding royalties, bonuses, delay rents, and other revenues attributable to the interests herein conveyed.
GRANTOR agrees to execute such further assurances as may be requisite for the full and complete enjoyment of the rights herein granted and likewise agrees that Grantee herein shall have the right at any time to redeem for said Grantor by payment, any mortgage, taxes, or other liens on the above described lands, upon default of payment by Grantor, and shall be subrogated to the rights of the holder thereof.
TO HAVE AND TO HOLD the above described property and easement with all and singular the rights, privileges and appurtenances thereunto or in any wise belonging to the said Grantee herein, their heirs, successors, personal representatives, administrators, executors and assigns forever, and Grantor does hereby warrant said title to Grantee their heirs, executors, administrators, personal representatives, successors and assigns forever against all persons claiming by, through and under Grantor, but not otherwise.
Executed this day of 2023, but EFFECTIVE as of July 1, 2023.
By:
ACKNOWLEDGEMENT
STATE OF) SS.
COUNTY OF
The foregoing instrument was acknowledged before me this
Notary Public (Signed): Notary
Seal Notary Public (Printed):
My Commission Expires: