

FORM

2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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| DE | ET | OE | ES |
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APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

 OIL ☐ GAS ☒ COALBED ☐ OTHER _____
 SINGLE ZONE ☐ MULTIPLE ZONE ☒ COMMINGLE ZONE ☐
Refiling ☒Sidetrack ☐

Document Number:

400042083

Plugging Bond Surety

20060139

3. Name of Operator: OXY USA INC4. COGCC Operator Number: 665615. Address: PO BOX 27757City: HOUSTON State: TX Zip: 772276. Contact Name: Joan Proulx Phone: (970)263-3641 Fax: (970)263-3694Email: joan_proulx@oxy.com7. Well Name: Stites Well Number: 20-8

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 6803

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 20 Twp: 9S Rng: 94W Meridian: 6Latitude: 39.265419 Longitude: -107.899583
 Footage at Surface: 1448 FNL/FSL FNL 924 FEL/FWL FEL
11. Field Name: Buzzard Field Number: 949512. Ground Elevation: 6664 13. County: MESA

14. GPS Data:

Date of Measurement: 03/29/2007 PDOP Reading: 2.2 Instrument Operator's Name: Jim Grabowski15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 1455 FNL 664 FEL 1455 FNL 664 FEL
 Bottom Hole: FNL/FSL 1455 FNL 664 FEL
 Sec: 20 Twp: 9S Rng: 94W Sec: 20 Twp: 9S Rng: 94W
16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 201 ft18. Distance to nearest property line: 152 ft 19. Distance to nearest well permitted/completed in the same formation: 324 ft

20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Mesa Verde | MVRD | 429-8 | | |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☒ Yes ☐ No Surface Surety ID#: _____

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☒ Yes ☐ No

23b. If 23 is No ☐ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bon ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
See attached Mineral Lease Map

25. Distance to Nearest Mineral Lease Line: _____ ft 26. Total Acres in Lease: _____ 36

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☐ Offsite ☒ Onsite

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Weight Per Foot | Setting Depth | Sacks Cement | Cement Bottom | Cement Top |
|-------------|--------------|----------------|-----------------|---------------|--------------|---------------|------------|
| CONDUCTOR | 26+0/0 | 16+0/0 | 0 | 40 | 0 | 40 | |
| SURF | 12+1/4 | 8+5/8 | 32.0 | 1,500 | 360 | 1,500 | |
| 1ST | 7+7/8 | 4+1/2 | 11.6 | 6,803 | 640 | 6,803 | |

32. BOP Equipment Type: ☒ Annular Preventer ☒ Double Ram ☒ Rotating Head ☐ None

33. Comments Initial Rule 306 consultation took place on 4/13/2007. 1. The pad has been built.
2. The pit has been constructed.
3. This refile will not require any expansion/additional surface disturbance of the pad.
4. The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).
5. The location is not in a wildlife restricted surface occupancy area.

34. Location ID: 334519

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☐ Yes ☒ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Joan Proulx

Title: Regulatory Analyst Date: 2/20/2010 Email: joan_proulx@oxy.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____ Director of COGCC Date: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05 077 09922 00

CONDITIONS OF APPROVAL, IF ANY:

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.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------|-----------------|
| 400042084 | FORM 2 SUBMITTED | 400042084.pdf |

Total Attach: 1 Files