

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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Document Number:

400043743

Plugging Bond Surety

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 ☐

3. Name of Operator: WILLIAMS PRODUCTION RMT COMPANY

4. COGCC Operator Number: 96850

5. Address: 1515 ARAPAHOE ST STE 1000

City: DENVER State: CO Zip: 80202

6. Contact Name: Jennifer Head Phone: (303)606-4342 Fax: (303)629-8275

Email: jennifer.head@williams.com

7. Well Name: Federal RGU Well Number: 322-6-297

8. Unit Name (if appl): Ryan Gulch Unit Unit Number: COC068239

X

9. Proposed Total Measured Depth: _____

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 6 Twp: 2s Rng: 97w Meridian: 6

Latitude: 39.904843 Longitude: -108.325431

 Footage at Surface: 2453 FNL/FSL 2206 FEL/FWL
 FSL FWL

11. Field Name: Sulphur Creek Field Number: 80090

12. Ground Elevation: _____ 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 09/09/2008 PDOP Reading: 3.7 Instrument Operator's Name: Mark Bessie

15. If well is ☒ Directional ☐ Horizontal (highly deviated) submit deviated drilling plan.
 Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
 1874 FNL 1966 FWL 1874 FSL 1966 FWL
 Sec: 6 Twp: 2s Rng: 97w Sec: 6 Twp: 2s Rng: 97w
16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 275 ft

18. Distance to nearest property line: 4399 ft 19. Distance to nearest well permitted/completed in the same formation: 660 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.)
Iles	ILES			
Sego	SEGO			
Williams Fork	WMFK			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC062046

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):

T2S, R97W, Sec. 6, Lots 8-23

25. Distance to Nearest Mineral Lease Line: 1874 ft 26. Total Acres in Lease: 626

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: Evaporation and Backfilling

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	30	18	48#		220		
SURF	14+3/4	9+5/8	36#				
3RD	8+3/3	4+1/2	11.6#				

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

33. Comments Cement will be circulated to the surface in the Conductor String. Cement will be circulated to 200' above the uppermost Mesaverde sand in the Production String. The Pad has been built. The pits have been constructed. There was no Pad expansion needed. There is not a Rig on location. This location does not require a variance. Williams has executed a Memorandum of Understanding (MOU) with the CDOW and BLM which sets forth commitments for the protection of wintering Mule Deer while year round drilling takes place within a concentrated area of northeast Ryan Gulch. Also associated with this MOU is a Wildlife Mitigation Plan currently being reviewed by the CDOW which will further guide activity in this part of the Ryan Gulch field. It is anticipated the WMP will be finalized in March or April of 2010.

34. Location ID: 335602

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: Jennifer Head

Title: Regulatory Team Lead Date: _____ Email: jennifer.head@williams.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: _____

API NUMBER

05 103 11488 00

Permit Number: _____ Expiration Date: _____

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.