

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:

400042071

Plugging Bond Surety

20060139

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: OXY USA INC

4. COGCC Operator Number: 66561

5. Address: PO BOX 27757

City: HOUSTON State: TX Zip: 77227

6. Contact Name: Joan Proulx Phone: (970)263-3641 Fax: (970)263-3694

Email: joan_proulx@oxy.com

7. Well Name: Gunderson Federal Well Number: 18-4B

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

9. Proposed Total Measured Depth: 8566

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 18 Twp: 9S Rng: 93W Meridian: 6

Latitude: 39.279603 Longitude: -107.817111

Footage at Surface: 1706 FNL/FSL FNL 977 FEL/FWL FWL

11. Field Name: Brush Creek Field Number: 7562

12. Ground Elevation: 7441 13. County: MESA

14. GPS Data:

Date of Measurement: 07/28/2008 PDOP Reading: 2.4 Instrument Operator's Name: Jim Grabowski

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 919 FNL 661 FWL 919 FNL 661 FWL
Sec: 18 Twp: 9S Rng: 93W Sec: 18 Twp: 9S Rng: 93W

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: 3590 ft

18. Distance to nearest property line: 417 ft 19. Distance to nearest well permitted/completed in the same formation: 264 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	429-4		

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC-50945

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 Bond ☐ \$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):
SWNE, Lot 1 (NWNW), Sec 18, SW, Sec 20, Twp 9S, Rng 93W, N2SE, Sec 10, E2NW, Sec 11, S2NE, E2SE, Sec 12, Twp 9S, Rng 94W

25. Distance to Nearest Mineral Lease Line: 370 ft 26. Total Acres in Lease: 562

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: Other: Onsite Reserve Pit

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		40	0	40	0
SURF	12+1/4	8+5/8	32.0	1,500	360	1,500	0
1ST	7+7/8	4+1/2	11.6	8,566	870	8,566	

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

33. Comments Initial Rule 306 consultation took place on 9/12/2006. 1. The pad has been built. 2. The pit has been constructed. 3. This APD 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: 334394

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: David S. Neslin Director of COGCC Date: 4/21/2010

API NUMBER

05 077 09888 00

Permit Number: _____ Expiration Date: 4/20/2011

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.

(1)24-HOUR SPUD NOTICE REQUIRED.E-MAIL Shaun.Kellerby@state.co.us (2)CEMENT-TOP VERIFICATION BY CBL REQUIRED. (3)THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS.AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. (4)NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT.THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT.THE ENTIRE BASE OF THE PIT MUST BE IN CUT. (5)THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES.THE DEEPEST WATER WELL WITHIN 1-MILE IS 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400044481	FORM 2 SUBMITTED	LF@2428231 400044481

Total Attach: 1 Files