

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:

400042085

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: Stites Well Number: 21-4

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

9. Proposed Total Measured Depth: 7410

WELL LOCATION INFORMATION

10. QtrQtr: SENE Sec: 20 Twp: 9S Rng: 94W Meridian: 6

Latitude: 39.265412 Longitude: -107.899865

Footage at Surface: 1451 FNL/FSL FNL 1004 FEL/FWL FEL

11. Field Name: Brush Creek Field Number: 7562

12. Ground Elevation: 6664 13. County: MESA

14. GPS Data:

Date of Measurement: 03/29/2007 PDOP Reading: 2.2 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 205 FNL 648 FWL 648 FEL/FWL 205 FNL 648 FWL 648
Sec: 21 Twp: 9S Rng: 94W Sec: 21 Twp: 9S Rng: 94W

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: 213 ft

18. Distance to nearest property line: 154 ft 19. Distance to nearest well permitted/completed in the same formation: 281 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	429-5		

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 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):
NENE, Sec 20, T9S, R94W, W2NW, S21, T9S, R94W, Portion of E2NW, Sec 21, T9S, R94W

25. Distance to Nearest Mineral Lease Line: 205 ft 26. Total Acres in Lease: 160

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	7,410	700	7,410	

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

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

API NUMBER

05 077 09921 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.

(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)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 200 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400044517	FORM 2 SUBMITTED	LF@2428188 400044517

Total Attach: 1 Files