

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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Document Number:

400088737

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: Matt Barber Phone: (303)606-4382 Fax: (303)629-8268

Email: Matt.Barber@Williams.com

7. Well Name: Federal RGU Well Number: 331-24-198

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

9. Proposed Total Measured Depth: 12793

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 24 Twp: 1S Rng: 98W Meridian: 6

Latitude: 39.952770 Longitude: -108.339706

Footage at Surface: 1231 FNL/FSL FNL 1791 FEL/FWL FEL

11. Field Name: Sulphur Creek Field Number: 80090

12. Ground Elevation: 6544 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 03/24/2010 PDOP Reading: 1.7 Instrument Operator's Name: John Richardson

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
 395 FNL 1898 FEL 395 FNL 1898 FEL
 Sec: 24 Twp: 1S Rng: 98W Sec: 24 Twp: 1S Rng: 98W
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: 3800 ft

18. Distance to nearest property line: 2 mi 19. Distance to nearest well permitted/completed in the same formation: 660

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 #: COC060733

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):
T1S, R98W: Section 24, Lots 1-16; Section 25, Lots 1-16

25. Distance to Nearest Mineral Lease Line: 395 ft 26. Total Acres in Lease: 1238

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: Evaporating 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 | 26 | 18 | 48 | 80 | 135 | 80 | |
| SURF | 14+3/4 | 9+5/8 | 36 | 3,875 | | 3,875 | |
| 1ST | 8+3/4 | 4+1/2 | 11.6 | 12,793 | | 12,793 | |

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

33. Comments Cement will be circulated to the surface in the surface string and to 200' above the uppermost Mesaverde sand in the production string. As per Rule 318.c, an exception location waiver to Rule 318.a has been signed by the neighboring Lease COC70221 mineral owner (attached). An exception location to Rule 318.a is requested with this applicaiton.

34. Location ID: 413591

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: Matt Barber

Title: Sr. Regulatory Specialist Date: _____ Email: Matt.Barber@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: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05

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 |
|-------------|------------------------|--|
| 400088740 | EXCEPTION LOC WAIVERS | Federal RGU 331-24-198 & 21-24-198 Exception Location Waiver.pdf |
| 400088741 | WELL LOCATION PLAT | Federal RGU 331-24-198 Well Plat.pdf |
| 400088742 | FED. DRILLING PERMIT | 20100825 Fed RGU 331-24-198 BLM APD.pdf |
| 400088743 | DEVIATED DRILLING PLAN | Federal RGU 331-24-198 Dir Plan #1 06apr10 jjb.pdf |
| 400088744 | ACCESS ROAD MAP | FEDERAL RGU 31-24-198 Access Topo.pdf |

Total Attach: 5 Files