

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:

400078315

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)606-4385 Fax: (303)629-8275

Email: matt.barber@williams.com

7. Well Name: Federal RGU Well Number: 24-23-198

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

9. Proposed Total Measured Depth: 12386

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 23 Twp: 1S Rng: 98W Meridian: 6

Latitude: 39.946787 Longitude: -108.362602

Footage at Surface: 1785 FNL/FSL FSL 1921 FEL/FWL FWL

11. Field Name: SULPHUR CREEK Field Number: 80090

12. Ground Elevation: 6543.4 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 05/26/2010 PDOP Reading: 1.6 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 1295 FSL 1897 FWL FWL Bottom Hole: FNL/FSL 1295 FSL 1897 FWL FWL
Sec: 23 Twp: 1S Rng: 98W Sec: 23 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: 2567 ft

18. Distance to nearest property line: 9939 ft 19. Distance to nearest well permitted/completed in the same formation: 331

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 #: COC060732

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):
Sec. 23 Lots 1-16; Sec. 26 Lots 2-16; T2S, R98W, 6th P.M.

25. Distance to Nearest Mineral Lease Line: 1897 ft 26. Total Acres in Lease: 1205

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	0
SURF	14+3/4	9+5/8	36	3,909		3,909	0
1ST	8+3/4	4+1/2	11.6	12,386		12,386	

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

33. Comments Cement will be circulated to the surface in the Conductor & Surface Strings. Cement will be circulated to 200' or more above the uppermost Mesaverde sand in the Production String.

34. Location ID: _____

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: 7/20/2010 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: David S. Neslin Director of COGCC Date: 9/9/2010

API NUMBER

05 103 11787 00

Permit Number: _____ Expiration Date: 9/8/2012

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) RESERVE PIT MUST BE LINED.

(3) CEMENT-TOP VERIFICATION BY CBL REQUIRED.

(4) OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT WELL-SITE DURING DRILLING AND COMPLETION OPERATIONS. IF FLUIDS ARE CONVEYED VIA PIPELINE, OPERATOR MUST IMPLEMENT BEST-MANAGEMENT-PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS.

(5) 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.

(6) 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 3000 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
400078315	FORM 2 SUBMITTED	LF@2510361 400078315
400078316	DEVIATED DRILLING PLAN	LF@2510362 400078316
400078318	TOPO MAP	LF@2510363 400078318
400078320	FED. DRILLING PERMIT	LF@2510364 400078320
400078562	WELL LOCATION PLAT	LF@2510365 400078562

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed commingle to yes, corrected date typo on GPS data, and added rotating head to BOPE per verbal from Matt Barber	9/9/2010 10:28:21 AM
Permit	Commingle was left blank	9/3/2010 3:31:59 PM

Total: 2 comment(s)

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