

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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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 ☐

Document Number:

400078069

Plugging Bond Surety

20060137

3. Name of Operator: OXY USA WTP LP

4. COGCC Operator Number: 66571

5. Address: P O 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: Cascade Creek Well Number: 697-08-37B

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

9. Proposed Total Measured Depth: 8910

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 8 Twp: 6S Rng: 97W Meridian: 6

Latitude: 39.536041 Longitude: -108.237659

Footage at Surface: 2129 FNL/FSL FSL 988 FEL/FWL FEL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8479 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 07/01/2010 PDOP Reading: 1.9 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 1946 FSL 2125 FEL FEL Bottom Hole: FNL/FSL 1946 FSL 2125 FEL FEL
Sec: 8 Twp: 6S Rng: 97W Sec: 8 Twp: 6S 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: 3754 ft

18. Distance to nearest property line: 3492 ft 19. Distance to nearest well permitted/completed in the same formation: 328 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.)
Williams Fork	WMFK	510-15		

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):
See attached Mineral Lease Description

25. Distance to Nearest Mineral Lease Line: 3135 ft 26. Total Acres in Lease: 9520

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: 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	20+0/0	16+0/0	65#	100		100	0
SURF	14+3/4	9+5/8	36#	2,690	1,420	2,690	0
1ST	8+3/4	4+1/2	11.6#	890	1,857	8,900	5,468

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

33. Comments Oxy is both the surface and mineral owner. Rule 305 and 306 are waived. The well pad has been constructed and there is one producing well on this location; there is currently no drilling rig on this pad. Drilling operations are projected to commence sometime in early 2011. A semi-closed loop system will be used. Per GarCo Vacation Ordinance dated 10-5-1987, CR 213 is now OXY's private property north of Sec 8, 7S, 97W, 6 PM. Oxy will comply with new "Notice to Operators" regarding reserve pits (June 12, 2008). Oxy will provide appropriate housing for essential personnel in order to conduct safe, efficient drilling operations at this well site.

34. Location ID: 383337

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: 7/21/2010 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: 9/29/2010

Permit Number: _____ Expiration Date: 9/28/2012

API NUMBER

05 045 19938 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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

3) COMPLY WITH ALL PROVISIONS OF THE JUNE 12, 2008 NOTICE TO OPERATORS DRILLING WELLS WITHIN 3/4 MILE OF THE RIM OF THE ROAN PLATEAU IN GARFIELD COUNTY - PIT DESIGN, CONSTRUCTION AND MONITORING REQUIREMENTS. SEE ATTACHED NOTICE.

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 430 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
2089331	LEGAL/LEASE DESCRIPTION	LF@2546547 2089331
400078069	FORM 2 SUBMITTED	LF@2511130 400078069
400078071	MINERAL LEASE MAP	LF@2511131 400078071
400078072	TOPO MAP	LF@2511132 400078072
400078073	DEVIATED DRILLING PLAN	LF@2511133 400078073
400078074	WELL LOCATION PLAT	LF@2511134 400078074

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Attached revised mineral lease description totaling 9,520 acres and removed old lease description	9/27/2010 1:52:10 PM
Permit	Lease size reverted back to 9,520 acres due to documentation adding the NWNW of section 8 to the lease Distance to the nearest mineral lease line changed to 3,135 feet	9/14/2010 2:40:57 PM
Permit	Lease size changed to 9,480 acres and location id change, both verbally approved by Joan Proulx Revised distance to nearest mineral lease line will be emailed	9/13/2010 1:59:25 PM
Permit	Distance to mineral lease appears to be wrong, lease size does not match description, location id was changed to correspond with pad	9/13/2010 10:32:44 AM

Total: 4 comment(s)

Error: Subreport could not be shown.