

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:

400119468

Plugging Bond Surety

20060137

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 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: 697-17-46B

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

9. Proposed Total Measured Depth: 8779

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 17 Twp: 6S Rng: 97W Meridian: 6

Latitude: 39.523060 Longitude: -108.239736

Footage at Surface: 2598 feet FNL/FSL FNL 1586 feet FEL/FWL FEL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8240 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 11/06/2010 PDOP Reading: 1.2 Instrument Operator's Name: A. Lewis

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

Footage at Top of Prod Zone: FNL/FSL 1360 FSL 1816 FEL 1299 FSL 1784 FEL
Sec: 17 Twp: 6S Rng: 97W Sec: 17 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: 18199 ft

18. Distance to nearest property line: 3155 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.)
Iles	ILES	510-48		
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: 2235 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: _____

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	20+0/0	16+0/0	65	0	90	4	90	0
SURF	14+3/4	9+5/8	36	0	2,690	1,420	2,690	0
1ST	8+3/4	4+1/2	11.6	0	8,769	1,824	8,769	5,305

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

33. Comments Oxy is both the surface and mineral owner; Rules 305 and 306 are waived. The well pad has not been constructed. 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 provide appropriate housing for essential personnel in order to conduct safe, efficient drilling operations at this well site. Oxy will comply with Notice to Operators (NTO) Drilling wells on the Roan Plateau (June 12, 2008). The plat indicates a graded elevation of 8240' and the directional survey indicates an elevation of 8253'; the difference in elevation figures is in the process of being resolved.

34. Location ID: 383339

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: 12/29/2010 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: 1/21/2011

Permit Number: _____ Expiration Date: 1/20/2013

API NUMBER

05 045 20327 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) THE NEARBY HILLSIDE MUST BE MONITORED FOR ANY DAY-LIGHTING DRILLING FLUIDS THROUGHOUT THE DRILLING OF THE SURFACE-CASING INTERVAL.

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

(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 00 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400119468	FORM 2 SUBMITTED
400119477	LEGAL/LEASE DESCRIPTION
400119478	TOPO MAP
400119480	WELL LOCATION PLAT
400119481	DEVIATED DRILLING PLAN

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected surface coordinates to match well location survey and corrected attachment descriptions	1/7/2011 3:54:36 PM

Total: 1 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)