

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:

400204778

PluggingBond SuretyID

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ☒ COMMINGLE ☒

Refiling ☐

Sidetrack ☐

3. Name of Operator: WILLIAMS PRODUCTION RMT COMPANY LLC

4. COGCC Operator Number: 96850

5. Address: 1001 17TH STREET - SUITE #1200

City: DENVER State: CO Zip: 80202

6. Contact Name: Howard Harris Phone: (303)606-4086 Fax: (303)629-8268

Email: howard.harris@williams.com

7. Well Name: Federal Well Number: RG 524-14-298

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

9. Proposed Total Measured Depth: 10919

WELL LOCATION INFORMATION

10. QtrQtr: SESW Sec: 14 Twp: 2S Rng: 98W Meridian: 6

Latitude: 39.870364 Longitude: -108.363153

Footage at Surface: 268 feet FNL/FSL 1986 feet FEL/FWL
FSL FWL

11. Field Name: Sulphur Creek Field Number: 80090

12. Ground Elevation: 6685 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 03/23/2010 PDOP Reading: 1.8 Instrument Operator's Name: J. Kirkpatrick

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
293 FSL 1886 FWL 293 FSL 1886 FWL
Sec: 14 Twp: 2S Rng: 98W Sec: 14 Twp: 2S 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: 1015 ft

18. Distance to nearest property line: 4441 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 598 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Sego | SEGO | 527-6 | | |
| Williams Fork / Iles | WFILS | 527-6 | | |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC66586

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

25. Distance to Nearest Mineral Lease Line: 293 ft

26. Total Acres in Lease: 666

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☒ No

31. Mud disposal: ☐ Offsite ☒ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: Re-Use, Evap & Backfill

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 | 26 | 18 | 48 | 0 | 80 | 80 | 80 | 0 |
| SURF | 14+3/4 | 9+5/8 | 36 | 0 | 3,279 | 1,314 | 3,279 | 0 |
| 1ST | 8+3/4 | 4+1/2 | 11.6 | 0 | 10,919 | 1,051 | 10,919 | 6,068 |

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

33. Comments Top of cement for production casing will be approx 200 feet above top of Mesaverde. Federal minerals and federal surface. See Williams Production RMT LLC. Master 10 Point Drilling Plan dated 3/24/11 for all specific drilling stipulations. Closed mud system.

34. Location ID: 335980

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: Howard Harris

Title: Sr. Regulatory Specialist

Date: 9/26/2011

Email: howard.harris@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: 10/21/2011

API NUMBER

05 103 11904 00

Permit Number: _____ Expiration Date: 10/20/2013

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) 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 250 FEET DEEP.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 400204778 | FORM 2 SUBMITTED |
| 400208288 | LEGAL/LEASE DESCRIPTION |
| 400208289 | WELL LOCATION PLAT |
| 400208290 | FED. DRILLING PERMIT |
| 400208292 | DEVIATED DRILLING PLAN |
| 400208293 | DEVIATED DRILLING PLAN |

Total Attach: 6 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | LGD/pub. comm. waived. Final Comprehensive Review Status--passed. | 10/20/2011 11:28:51 AM |
| Permit | ready to approve in permitting when LGD/PUB. comes off 10/13 & OGLA passes. | 10/4/2011 1:17:51 PM |
| Permit | Sego unspaced--need clarification from oper.--covered under Order 527-6 as member of lles fm. | 10/3/2011 2:35:15 PM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)