

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



Document Number:

400250882

Date Received:

02/10/2012

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 ☐

PluggingBond SuretyID

3. Name of Operator: OXY USA INC

4. COGCC Operator Number: 66561

5. Address: PO 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: Ute Water Federal Well Number: 27-14B

8. Unit Name (if appl): KirkendallFlats Unit Number: COC74790X

9. Proposed Total Measured Depth: 7706

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 27 Twp: 9S Rng: 94W Meridian: 6

Latitude: 39.245576 Longitude: -107.870781

Footage at Surface: 1697 feet FNL/FSL FSL 1953 feet FEL/FWL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 7191 13. County: MESA

14. GPS Data:

Date of Measurement: 07/28/2008 PDOP Reading: 2.4 Instrument Operator's Name: EJ Grabowski

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

Footage at Top of Prod Zone: FNL/FSL 520 FSL 2073 FWL FWL Bottom Hole: FNL/FSL 520 FSL 2073 FWL FWL
Sec: 27 Twp: 9s Rng: 94W Sec: 27 Twp: 9S Rng: 94W

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: 3000 ft

18. Distance to nearest property line: 401 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1529 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.)
Mesa Verde	MVRD			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC64795

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: 401 ft

26. Total Acres in Lease: 480

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: _____

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	24+0/0	16+0/0	65	0	90	4	90	0
SURF	12+1/4	9+5/8	36	0	1,500	429	1,500	0
1ST	7+7/8	4+1/2	11.6	0	7,706	922	7,706	3,379

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

33. Comments REFILE. Original permit approved 7/22/2010, document #400058647. This well is located on the Ute Water 27-11 pad; Form 2A approved 7/22/2010, document #400058654. The well pad has not yet been constructed. No information has changed from the original Form 2 approved on 7/22/2010.

34. Location ID: 334497

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: 2/10/2012

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: _____

Director of COGCC

Date: 3/6/2012

API NUMBER

05 077 10098 00

Permit Number: _____

Expiration Date: 3/5/2014

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 110 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400250882	FORM 2 SUBMITTED
400251072	SURFACE AGRMT/SURETY

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD and public comments waived. Final Comprehensive Review Status--passed.	3/2/2012 7:34:09 AM
Permit	Added unit name. Deleted spacing order. Fed. permit in well file.	2/29/2012 12:07:03 PM
Permit	Operator corrected plugging bond, SUA, and 36. This form has passed completeness.	2/10/2012 2:04:07 PM
Permit	Returned to draft. Invalid plugging bond. No SUA on file. Missing 36.	2/10/2012 12:52:25 PM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)