

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:

400250005

Date Received:

02/08/2012

PluggingBond SuretyID

20060137

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: 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: Shell Well Number: 797-03-05

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

9. Proposed Total Measured Depth: 7165

WELL LOCATION INFORMATION

10. QtrQtr: TCT 71 Sec: 3 Twp: 7S Rng: 97W Meridian: 6

Latitude: 39.479611 Longitude: -108.202092

Footage at Surface: 785 feet FNL 1516 feet FEL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 6476 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 02/02/2012 PDOP Reading: 1.7 Instrument Operator's Name: B Johnson

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
579 FNL 2436 FEL 579 FNL 2436 FEL
Sec: 3 Twp: 7S Rng: 97W Sec: 3 Twp: 7S 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: 13086 ft

18. Distance to nearest property line: 1163 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 349 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	510-26		

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: 194 ft

26. Total Acres in Lease: 4764

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	20+0/0	16+0/0	65	0	90	4	90	0
SURF	14+3/4	9+5/8	36	0	1,300	614	1,300	0
1ST	8+3/4	4+1/2	11.6	0	7,135	1,659	7,135	3,565

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

33. Comments The Shell 797-03A 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 USA WTP LP has an agreement with Shell Frontier Oil and Gas, Inc., whereby Oxy is able to build pads and drill wells on Shell property.

34. Location ID: 427315

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: 2/8/2012 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: 3/18/2012

API NUMBER

05 045 21441 00

Permit Number: _____ Expiration Date: 3/17/2014

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

3) 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 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400250005	FORM 2 SUBMITTED
400250013	WELL LOCATION PLAT
400250014	DEVIATED DRILLING PLAN
400250015	TOPO MAP
400250016	DIRECTIONAL DATA
400250017	LEGAL/LEASE DESCRIPTION

Total Attach: 6 Files

General Comments

User Group	Comment	Comment Date
Permit	LGD passed; public comments waived. Final Comprehensive Review Status-passed.	3/15/2012 10:49:31 AM
Permit	Changed zone type to "SINGLE" and checked "NO" on commingling. Added comment that Oxy has right to drill on Shell property.	2/29/2012 3:02:42 PM
LGD	Passed	2/9/2012 2:59:15 PM

Total: 3 comment(s)

BMP

Type	Comment

Total: 0 comment(s)