

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:

400239671

Date Received:

01/11/2012

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER INJECTION WELL
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

PluggingBond SuretyID

3. Name of Operator: CHEVRON USA INC

4. COGCC Operator Number: 16700

5. Address: 6001 BOLLINGER CANYON RD

City: SAN RAMON State: CA Zip: 94583

6. Contact Name: DIANE PETERSON Phone: (970)675-3842 Fax: (970)675-3800

Email: DLPE@CHEVRON.COM

7. Well Name: EMERALD Well Number: 98X

8. Unit Name (if appl): RANGELY Unit Number: COC47675X

9. Proposed Total Measured Depth: 6705

WELL LOCATION INFORMATION

10. QtrQtr: SWNE Sec: 26 Twp: 2N Rng: 103W Meridian: 6

Latitude: 40.114842 Longitude: -108.923461

Footage at Surface: 2351 feet FNL 2586 feet FEL
FNL/FSL FEL/FWL

11. Field Name: RANGELY Field Number: 72370

12. Ground Elevation: 5522 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 09/30/2011 PDOP Reading: 1.2 Instrument Operator's Name: J FLOYD

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

Footage at Top of Prod Zone: 1600 FSL 1950 FWL 1656 FSL 1967 FWL
Bottom Hole: 1656 FSL 1967 FWL
Sec: 26 Twp: 2N Rng: 103 Sec: 26 Twp: 2N Rng: 103
W W

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: 255 ft

18. Distance to nearest property line: 325 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 310 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.)
WEBER	WEBR			

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 EMERALD LEASE MAP

25. Distance to Nearest Mineral Lease Line: 326 ft 26. Total Acres in Lease: 1760

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
SURF	12+1/4	9+5/8	36	0	2,000	789	2,000	0
1ST	8+3/7	7+0/8	23	0	6,343	707	6,343	0

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

33. Comments CONDUCTOR PIPE NOT IN THE DRILLING PLAN EMERALD 98X AND EMERALD 97X (TWO WELL LOCATION) FORM 2A WAS SUBMITTED 12/6/2011 DOC#400229154

34. Location ID: _____

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: DIANE L PETERSON

Title: REGULATORY SPECIALIST Date: 1/11/2012 Email: DLPE@CHEVRON.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: 4/5/2012

API NUMBER Permit Number: _____ Expiration Date: 4/4/2014

05 103 11915 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) BEFORE STIMULATING WELL, CAPTURE WATER SAMPLE FROM THOSE FORMATION(S) REQUESTED FOR INJECTION AND ANALYZE FOR TOTAL DISSOLVED SOLIDS. SUBMIT LAB ANALYSIS TO DENISE ONYSKIW AT DENISE.ONYSKIW@STATE.CO.US.

2) INJECTION IS NOT AUTHORIZED UNTIL APPROVAL OF FORM 31 AND 33.

3) A STEP RATE TEST TO DETERMINE FRACTURE PRESSURE IS PERMISSABLE BEFORE APPROVING FORMS 31 AND 33. The test volume must not exceed 5000 bbls and the test duration must not exceed 5 days or the test volume must not exceed 10,000 bbls and the test duration must not exceed 10 days.

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 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
2537973	EXCEPTION LOC REQUEST
400239671	FORM 2 SUBMITTED
400239675	H2S CONTINGENCY PLAN
400239680	DRILLING PLAN
400239681	FED. DRILLING PERMIT
400239842	WELL LOCATION PLAT
400239847	DIRECTIONAL DATA
400239848	SURFACE PLAN
400239857	DEVIATED DRILLING PLAN
400239859	LEASE MAP

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	eng. completed COA's. LGD/pub. comments waived. Final Comprehensive Review Status--passed.	4/4/2012 3:47:29 PM
Permit	on hold - engineering COAs for injection well APD needed	3/30/2012 9:04:37 AM
Permit	Form 33 for injection well recieved by COGCC	3/30/2012 9:03:34 AM
Permit	per oper.'s email, removed plugging bond, changed mineral ownership to FEDERAL, changed Line 22 to "NO", 22a to "NONE", and 22b to "SUA ATTACHED" (attached to form 2A #400229154). Confirmed with D.O. that Form 33 submitted.	3/28/2012 9:29:36 AM
Permit	oper. submitted copies of exc. loc. waiver letters to offset min. interest owners with verification of undeliverable address or unable to forward; no responses submitted. confirmed with Hank Szymanski with Lakewood BLM that this well on Chevron's Plan of Development for 2012 for Rangeley and has fed. drlg. permit. offset mineral leases are BLM.	3/26/2012 1:58:20 PM
Permit	on hold: need waiver ltr. from offset min. lease holder. loc 300' from unit boundary and exception loc. ltr. req.	1/23/2012 7:31:56 AM
Permit	questions on dist. to nearest well, change mineral ownership at BHL to fed, surface ownership above BHL?	1/13/2012 10:42:30 AM

Total: 7 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	CLOSED LOOP DRILLING SYSTEM.
Material Handling and Spill Prevention	CHEVRON HAS AN ANNUALLY UPDATED ENGINEER CERTIFIED FULL FIELD SPCC PLAN IN ACCORDANCE WITH THE FEDERAL REQUIREMENT.
Site Specific	TWO WELL ARE PLANNED FOR THIS WELL SITE..
Construction	UTILIZE EXISTING LEASE ROADS TO MINIMIZE ANY NEW SURFACE DISTURBANCE. TOPSOIL WILL BE SEGREGATED AND STORED FOR RECLAMATION AT A LATER DATE

Total: 4 comment(s)