

FORM  
2

Rev  
12/05

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400282501

Date Received:

05/08/2012

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

19880020

3. Name of Operator: MARATHON OIL COMPANY

4. COGCC Operator Number: 53650

5. Address: 5555 SAN FELIPE RD

City: HOUSTON State: TX Zip: 77056

6. Contact Name: Janet Cole Phone: (713)296-3205 Fax: (713)296-4469

Email: jpcole@marathonoil.com

7. Well Name: 696-5A Well Number: 17

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

9. Proposed Total Measured Depth: 10600

WELL LOCATION INFORMATION

10. QtrQtr: Lot 6 Sec: 5 Twp: 6S Rng: 96W Meridian: 6

Latitude: 39.559080 Longitude: -108.130570

Footage at Surface: 1943 feet FNL/FSL 2733 feet FEL/FWL  
FNL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8110.9 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 07/08/2008 PDOP Reading: 2.2 Instrument Operator's Name: William H Dolinar

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  
2178 FNL 2121 FEL 2178 FNL 2121 FEL  
Sec: 5 Twp: 6S Rng: 96W Sec: 5 Twp: 6S Rng: 96W

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: 4330 ft

18. Distance to nearest property line: 2845 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 329 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	510-40	338	Lots 5-12

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):

Please see map submitted with previous filing.

25. Distance to Nearest Mineral Lease Line: 705 ft

26. Total Acres in Lease: 413

### 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	16	53	0	100	100	100	0
SURF	14+3/4	9+5/8	36	0	2,000	1,000	2,000	0
1ST	8+3/4	4+1/2	11.6	0	10,600	675	10,600	5,500

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

33. Comments Surface is owned by Chevron. Minerals are owned by Chevron. No visible improvements within 400' of wellhead. Pad and pits have not been constructed; no wells are producing. Location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii). The location is not in a wildlife restricted surface occupancy area. The refiled well will not require any expansion/additional surface disturbance of the pad. No other changes to APD.

34. Location ID: 413390

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: Janet Cole

Title: Sr Regulatory Rep Date: 5/8/2012 Email: jpcole@marathonoil.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 5/30/2012

#### API NUMBER

05 045 17842 00

Permit Number: \_\_\_\_\_ Expiration Date: 5/29/2014

#### 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) CEMENT ON PRODUCTION CASING MUST BE A MINIMUM OF 200' ABOVE THE TOP OF THE MESA VERDE FORMATION (OR 200' ABOVE THE OHIO CREEK FORMATION IF PRESENT). CEMENT TOP VERIFICATION BY CBL IS REQUIRED. THIS REQUIREMENT SHALL SUPERSEDE THE TOP OF CEMENT REQUIREMENTS IN THE NEW MAMM CREEK FIELD NOTICE TO OPERATORS.

4) THE NEARBY HILLSIDE MUST BE MONITORED FOR ANY DAY LIGHTING DRILLING FLUIDS THROUGHOUT THE DRILLING OF THE SURFACE CASING INTERVAL.

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

6) 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
400282501	FORM 2 SUBMITTED
400282526	DEVIATED DRILLING PLAN
400282527	DIRECTIONAL DATA

Total Attach: 3 Files

### **General Comments**

<b><u>User Group</u></b>	<b><u>Comment</u></b>	<b><u>Comment Date</u></b>
Permit	LGD passed; pub. comments waived. Final Review--passed.	5/30/2012 12:10:23 PM
LGD	Passed DB	5/29/2012 9:46:36 AM
Permit	per oper.'s instructions, corrected unit configuration, added related 2A, changed oper. comment to state that "pad & pits have not been constructed".	5/25/2012 1:59:24 PM
Permit	Location not built. Operator notified that if location not built by 2A expiration of 4/27/2013, Refile Form 2A will be submitted and approved prior to construction.	5/25/2012 12:45:10 PM

Total: 4 comment(s)

### **BMP**

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

Total: 0 comment(s)