

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:

400332495

Date Received:

10/01/2012

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: WPX ENERGY ROCKY MOUNTAIN 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@wpxenergy.com

7. Well Name: Federal Well Number: RGU 22-24-198

8. Unit Name (if appl): Ryan Gulch Unit Unit Number: COC068239
X

9. Proposed Total Measured Depth: 12772

WELL LOCATION INFORMATION

10. QtrQtr: Lot 2 Sec: 24 Twp: 1S Rng: 98W Meridian: 6

Latitude: 39.952739 Longitude: -108.339689

Footage at Surface: 1242 feet FNL/FSL 1786 feet FEL/FWL
FNL FEL

11. Field Name: Sulphur Creek Field Number: 80090

12. Ground Elevation: 6544 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 03/24/2010 PDOP Reading: 1.7 Instrument Operator's Name: John Richardson

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

Footage at Top of Prod Zone: FNL/FSL 1532 FNL 1900 FWL 1532 FNL 1900 FWL
Sec: 24 Twp: 1S Rng: 98W Sec: 24 Twp: 1S 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: 2608 ft

18. Distance to nearest property line: 2 mi 19. Distance to nearest well permitted/completed in the same formation(BHL): 660 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.)
Iles	ILES			
Sego	SEGO			
Williams Fork	WMFK			

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC060733

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):
T1S< R98W: Sec 24, Lots 1-16; Sec 25, Lots 1-16

25. Distance to Nearest Mineral Lease Line: 1532 ft 26. Total Acres in Lease: 1238

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	135	80	0
SURF	14+3/4	9+5/8	36	0	3,885	1,383	3,885	0
1ST	8+3/4	4+1/2	11.6	0	12,772	1,284	12,772	

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 the top of Mesaverde. Closed mud system will be used. Fed minerals and surface. This is an existing location from which 5 wells will be drilled this visit. Associated form 2A Doc 400088436 for location is approved. No changes from original are being made on this form 2.

34. Location ID: 413591

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: 10/1/2012 Email: howard.harris@wpenergy.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: Matthew Lee Director of COGCC Date: 10/23/2012

API NUMBER 05 103 11804 00	Permit Number: _____	Expiration Date: <u>10/22/2014</u>
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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.

Attachment Check List

Att Doc Num	Name
400332495	FORM 2 SUBMITTED
400332567	FED. DRILLING PERMIT

Total Attach: 2 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Per oper. corrected distance to nearest cultural feature and min. lease. Location is built with producing wells. No LGD or public comments. Final Review--passed.	10/23/2012 7:27:19 AM
Permit	Distance to nearest cultural feature is 2608' on 2A. Distance to nearest min. lease is 1532'.	10/18/2012 4:03:00 PM
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 16 FEET DEEP.	10/16/2012 9:14:24 AM
Permit	This form passed completeness.	10/2/2012 5:30:27 PM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)