

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:

400239780

Date Received:

11/13/2012

PluggingBond SuretyID

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: 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: Greg Davis Phone: (303)606-4071 Fax: (303)629-8268

Email: greg.j.davis@wpxenergy.com

7. Well Name: Savage Well Number: RWF 311-35

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

9. Proposed Total Measured Depth: 7816

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 35 Twp: 6S Rng: 94W Meridian: 6

Latitude: 39.485843 Longitude: -107.860576

Footage at Surface: 1151 feet FNL 1185 feet FWL

11. Field Name: Rulison Field Number: 75400

12. Ground Elevation: 5473 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 07/24/2008 PDOP Reading: 2.1 Instrument Operator's Name: J. Kirkpatrick

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
606 FNL 537 FWL 606 FNL 537 FWL
Sec: 35 Twp: 6S Rng: 94W Sec: 35 Twp: 6S 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: 457 ft

18. Distance to nearest property line: 1178 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 342 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 | 139-66 | 640 | All |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC07506

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.

25. Distance to Nearest Mineral Lease Line: 537 ft

26. Total Acres in Lease: 1595

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 and evaporation

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 | 18 | 48# | 0 | 45 | 25 | 45 | 0 |
| SURF | 13+1/2 | 9+5/8 | 32.3# | 0 | 1,114 | 297 | 1,114 | 0 |
| 1ST | 8+3/4 | 4+1/2 | 11.6# | 0 | 7,816 | 977 | 7,816 | |

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

33. Comments Closed Loop. See Williams Master APD.CA COC128379Surface owner has a Royalty Interest within the 640 acre communitization agreement.CA for Wasatch and Mesaverde.

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: Greg Davis

Title: Supervisor Permits Date: 11/13/2012 Email: greg.j.davis@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: 12/16/2012

API NUMBER

05 045 21844 00

Permit Number: _____ Expiration Date: 12/15/2014

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS IS REQUIRED.

Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 400239780 | FORM 2 SUBMITTED |
| 400246586 | WELL LOCATION PLAT |
| 400246587 | LEGAL/LEASE DESCRIPTION |
| 400246589 | TOPO MAP |
| 400247177 | SURFACE AGRMT/SURETY |
| 400344524 | DIRECTIONAL DATA |
| 400344548 | DEVIATED DRILLING PLAN |
| 400346055 | FED. DRILLING PERMIT |

Total Attach: 8 Files

General Comments

| User Group | Comment | Comment Date |
|------------|---|---------------------------|
| Permit | No LGD or public comments. Final Review--passe | 12/14/2012 1:47:06 PM |
| Permit | Oper. confirmed CA for Mesaverde. Removed plugging bond. | 12/3/2012 9:18:21 AM |
| LGD | Passed DB | 11/21/2012 11:36:32 AM |
| Engineer | 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 250 FEET DEEP. | 11/16/2012 1:05:40 PM |
| Permit | This form passed completeness. | 11/14/2012 10:16:42 PM |

Total: 5 comment(s)

BMP

| Type | Comment |
|------|---------|
| | |

Total: 0 comment(s)