

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



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Date Received:

07/18/2013

PluggingBond SuretyID

20030107

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: ANGELA NEIFERT-KRAISER Phone: (303)606-4398 Fax: (303)629-8268

Email: ANGELA.NEIFERT-KRAISER@WPXENERGY.COM

7. Well Name: WPX ENERGY

Well Number: PA 14-2

8. Unit Name (if appl):

Unit Number:

9. Proposed Total Measured Depth: 7604

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 2 Twp: 7S Rng: 95W Meridian: 6

Latitude: 39.465031

Longitude: -107.969265

Footage at Surface: 2021 feet FNL/FSL 1564 feet FEL/FWL
 FSL FWL

11. Field Name: Parachute

Field Number: 67350

12. Ground Elevation: 5820

13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/12/2013 PDOP Reading: 3.4 Instrument Operator's Name: MICHAEL LANGHORNE

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
 1218 FSL 652 FWL 1218 FSL 652 FWL
 Sec: 2 Twp: 7S Rng: 95W Sec: 2 Twp: 7S Rng: 95W

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: 276 ft

18. Distance to nearest property line: 168 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 292 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 | 440-46 | 320 | Sec 2:W/2 |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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 ☒ No23b. 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: 14 ft

26. Total Acres in Lease: 314

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 &

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 | 60 | 50 | 60 | 0 |
| SURF | 13+1/2 | 9+5/8 | 32.3 | 0 | 1069 | 283 | 1069 | 0 |
| 1ST | 8+3/4 | 4+1/2 | 11.6 | 0 | 7604 | 863 | 7604 | 3965 |

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

33. Comments CA COC53631 Closed Loop. Cmt > 200' above uppermost mvrd sand.

34. Location ID: 323841

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: ANGELA NEIFERT-KRAISER

Title: REGULATORY SPECIALIST

Date: 7/18/2013

Email: ANGELA.NEIFERT-

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: 8/15/2013

API NUMBER

05 045 22137 00

Permit Number: _____

Expiration Date: 8/14/2015

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.

| COA Type | Description |
|-----------------|---|
| | 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. 3)PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED. |
| | 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 390 FEET DEEP. |

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

| <u>Att Doc Num</u> | <u>Name</u> |
|---------------------------|-------------------------|
| 400437029 | FORM 2 SUBMITTED |
| 400437509 | DIRECTIONAL DATA |
| 400437510 | DEVIATED DRILLING PLAN |
| 400437511 | DEVIATED DRILLING PLAN |
| 400444033 | WELL LOCATION PLAT |
| 400449958 | LEGAL/LEASE DESCRIPTION |
| 400449959 | LEASE MAP |
| 400450660 | LEGAL/LEASE DESCRIPTION |

Total Attach: 8 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | Corrected spacing unit & designation. No LGD or public comments. Final Review--passed. | 8/15/2013 10:42:03 AM |
| Permit | Distance to nearest unit boundary is 652'. | 3/6/2013 2:42:09 PM |
| LGD | pass, gdb | 8/6/2013 12:50:11 PM |
| Permit | Operator corrected leases. This form has passed completeness. | 7/19/2013 11:48:20 AM |
| Permit | Returned to draft. Leases have SS numbers on them. | 7/19/2013 9:14:53 AM |

Total: 5 comment(s)

Best Management Practices

| No | BMP/COA Type | Description |
|----|--------------------------------|--|
| 1 | Planning | <p>* Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas.</p> |
| 2 | General Housekeeping | <p>Although this location is located within 500 ft. of perennial, ephemeral, or intermittent surface water according to USGS mapped surface waters, the attached Sensitive Area Determination concludes that the location is not within a sensitive area due to the low potential for impacts to surface water in the case of a facility release. However, in order to satisfy COGCC guidance requiring that all locations within 500 ft. of mapped surface water incorporate BMPs to protect that surface water, Williams will employ the following BMPs at this location:</p> <ul style="list-style-type: none"> • Williams will ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations. • Williams will implement best management practices to contain any unintentional release of fluids. • Either a lined drilling pit or closed loop system will be implemented. |
| 3 | Drilling/Completion Operations | <p>* Conduct well completions with drilling operations to limit the number of rig moves and traffic.</p> |
| 4 | Interim Reclamation | <p>* Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife</p> <p>* WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeded and reclamation of disturbed areas.</p> <p>* Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.</p> <p>* Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.</p> |

Total: 4 comment(s)