

FORM

2

Rev
08/13

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:

400722860

APPLICATION FOR PERMIT TO:

☒ Drill
 ☐ Deepen
 ☐ Re-enter
 ☐ Recomplete and Operate
TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____Refiling ☒

Date Received:

01/14/2015

ZONE TYPE SINGLE ZONE ☒ MULTIPLE ZONES ☐ COMMINGLE ZONES ☐Sidetrack ☐

Well Name: CHEVRON

Well Number: TR 42-21-597

Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLC

COGCC Operator Number: 96850

Address: 1001 17TH STREET - SUITE #1200

City: DENVER State: CO Zip: 80202

Contact Name: Angela Neifert-Kraiser

Phone: (303)606-4398

Fax: ()

Email: Angela.Neifert-Kraiser@wpxenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030107

WELL LOCATION INFORMATION

QtrQtr: SWNE Sec: 21 Twp: 5S Rng: 97W Meridian: 6

Latitude: 39.602753

Longitude: -108.282194

Footage at Surface: 1319 feet FNL/FSL FNL 2381 feet FEL/FWL FEL

Field Name: TRAIL RIDGE

Field Number: 83825

Ground Elevation: 8577

County: GARFIELD

GPS Data:

Date of Measurement: 09/02/2014 PDOP Reading: 1.9 Instrument Operator's Name: J KIRKPATRICK

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

 1528 FNL 470 FEL 1528 FNL 470 FEL
 Sec: 21 Twp: 5S Rng: 97W Sec: 21 Twp: 5S Rng: 97W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ IndianThe Surface Owner is: ☒ is the mineral owner beneath the location.

(check all that apply)

☒ is committed to an Oil and Gas Lease.☒ has signed the Oil and Gas Lease.☐ is the applicant.The Mineral Owner beneath this Oil and Gas Location is: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: oil and gas lease

Surface damage assurance if no agreement is in place:

Surface Surety ID:

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

SEE ATTACHED LEASE MAP

Total Acres in Described Lease: 17315 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 3734 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 5280 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 1314 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: ☐ Buffer Zone
☐ Exception Zone
☐ Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 295 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 470 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): _____ Unit Number: _____

SPACING & FORMATIONS COMMENTS

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
WILLIAMS FORK	WMFK	510-17	640	ALL

DRILLING PROGRAM

Proposed Total Measured Depth: 9571 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 295 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type: ☒ Annular Preventor ☒ Double Ram ☒ Rotating Head ☐ None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Cuttings trench

Other Disposal Description:

Beneficial reuse or land application plan submitted? No

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

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	50	80	0
SURF	14+3/4	9+5/8	36	0	3239	862	3239	0
1ST	8+3/4	4+1/2	11.6	0	9571	620	9571	6264

☐ Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- ☐ Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- ☐ Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- ☐ Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- ☐ Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318A.a. Exception Location (GWA Windows).
- ☐ Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

☐ Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____


OTHER LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318.c. Exception Location from Rule or Spacing Order Number _____
- ☐ Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments	This is a refile with Changes to the Surface and bottom hole locations		
This application is in a Comprehensive Drilling Plan _____		CDP #: _____	
Location ID: <u>335603</u>			
Is this application being submitted with an Oil and Gas Location Assessment application?		<u>Yes</u>	
I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.			
Signed: _____		Print Name: <u>Angela Neifert-Kraiser</u>	
Title: <u>Regulatory Specialist</u>	Date: <u>1/14/2015</u>	Email: <u>Angela.Neifert-</u>	
<p>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).</p>			
<p>Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.</p>			
COGCC Approved: <u></u>		Director of COGCC	Date: <u>3/20/2015</u>
<div style="border: 1px solid black; padding: 5px; text-align: center;"> API NUMBER 05 045 20353 00 </div>		Expiration Date: <u>03/19/2017</u>	

Conditions Of Approval

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

	<p>1)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice.</p> <p>2)Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: all field notice requirements specified in this notice to operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see condition of approval #1). See attached notice.</p> <p>3)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesa Verde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.</p>
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Best Management Practices

No BMP/COA Type

Description

1	Planning	<p>WPX will run triple-combo open hole logs from well TD up to base of surface casing on one of the first wells drilled on a multi-well pad. Remaining wells on the pad will be logged with either cased hole pulsed neutron or triple-combo open hole. Every well will also have a CBL log from well TD up through well surface. Form 5 Completion Reports will identify wells on the pad with triple-combo open hole logs.</p>
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2	Planning	<ul style="list-style-type: none"> • To the extent practicable, share and consolidate new corridors for pipeline rights-of-way and roads to minimize surface disturbance. • Engineer new pipelines to reduce field fitting and reduce excessive right-of-way widths and therefore subsequent reclamation requirements. • Plan new transportation networks and new oil and gas facilities to minimize surface disturbance and the number and length of oil and gas roads through the utilization of common roads, rights of way, and access points to the extent practicable.
3	General Housekeeping	<ul style="list-style-type: none"> • Post speed limits and caution signs to the extent allowed by surface owners, Federal and state regulations, local government, and land use policies, as appropriate. • Use remote monitoring of well production to the extent practicable. • Maintain pre and post development site inspection records and monitor operations for compliance. • Ensure that staging, refueling, and chemical storage areas are established outside of riparian zones and floodplains, as appropriate. • Store and stage emergency spill response equipment at strategic locations so that it is available to expedite effective spill response
4	Wildlife	<ul style="list-style-type: none"> • Install and maintain adequate measures to exclude birds and big game from all fluid pits to the greatest extent possible (e.g. fencing, netting, and other appropriate exclusionary measures). • Construct fluid pit fences and nets that are capable of withstanding animal pressure and environmental conditions and that are appropriately sized for the wildlife encountered. • Skim and eliminate oil from produced water ponds and fluid pits at a rate sufficient to prevent oiling of birds or other wildlife that could gain access to the pit and as consistent with COGCC skimming requirements. • Treat fresh water pits and any associated pit containing water that provides a medium for breeding mosquitoes with Bti (<i>Bacillus thuringiensis v. israelensis</i>) or other similar products, or take other effective action to control mosquito larvae that may spread West Nile Virus to wildlife, especially grouse. • Reclaim reserve pits as quickly as practical after drilling and completions to ensure that pit contents do not offer the possibility of unnecessary environmental liability to the environment or local biota.
5	Construction	<ul style="list-style-type: none"> • Use minimum practical construction widths for new rights-of-way where pipelines cross riparian areas, streams, and critical habitats, where possible. • Perform routine inspections of netting and pit liner systems to ensure proper function and condition for preventative maintenance and incident deterrence. • Strip and segregate topsoil prior to construction. Appropriately configure topsoil piles and seed as immediate as practicable to control erosion, prevent weed establishment and maintain soil microbial activity. • Where allowed by the surface owner, mow or brushhog vegetation for temporary staging areas where appropriate, leaving root structure intact, instead of scraping the surface.
6	Drilling/Completion Operations	<ul style="list-style-type: none"> • Minimize rig mobilization and demobilization where practicable by completing or recompleting all wells from a given well pad before moving rigs to a new location. • Maximize the use of directional drilling to minimize habitat loss/fragmentation.

7	Interim Reclamation	<ul style="list-style-type: none"> • Commensurate with the language set forth in the surface agreement, interim and final reclamation shall be performed as early as practical and to the greatest extent possible. • Apply a weed management plan. Utilize an adaptive management strategy that permits effective response(s) to monitored findings and reflects local site geography and conditions. • Perform interim reclamation on all disturbed areas not needed for active support of production operations consistent with applicable timing restrictions and requirements. • Control listed noxious weeds in areas surrounding reclamation areas, as reasonable, in order to reduce weed competition. • Educate employees and contractors about weed issues. • Utilize GIS technologies to assess the initial and final extent of disturbance and document reclamation progression.
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Total: 7 comment(s)

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>
400722860	FORM 2 SUBMITTED
400760579	DIRECTIONAL DATA
400760580	WELL LOCATION PLAT
400760582	ACCESS ROAD MAP
400760584	LEASE MAP
400760586	DEVIATED DRILLING PLAN
400771123	OTHER

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	3/17/2015 3:49:45 PM
Permit	Added 640 to acres in the unit as per opr. Ready to pass.	1/26/2015 9:45:46 AM
Engineer	Evaluated existing offset wells within 1,500 feet of this wellbore. Offset wells in the area target the Mesa Verde formation. No mitigation required. Offset water well check: The proposed surface casing is more than 50' below the depth of the deepest water well within 1-mile of the surface location. There is one water well within 1-mile and the depth is shown as zero feet. The deviated drilling plan shows the surface casing extending through the Green River Formation.	1/22/2015 9:41:41 AM
Permit	Changed file label from "Surface owner consent" to "other" per operator request. Distance to nearest unit boundary left blank, added after operator confirmation. Passed completeness.	1/15/2015 11:34:28 AM

Total: 4 comment(s)