

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:

400872301

Date Received:

07/24/2015

APPLICATION FOR PERMIT TO:

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

TYPE OF WELL OIL ☐ GAS ☐ COALBED ☐ OTHER INJECTION

Refilling ☒

ZONE TYPE SINGLE ZONE ☐ MULTIPLE ZONES ☒ COMMINGLE ZONES ☒

Sidetrack ☐

Well Name: WPX

Well Number: SG 914-32D

Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLC

COGCC Operator Number: 96850

Address: PO BOX 370

City: PARACHUTE

State: CO

Zip: 81635

Contact Name: Angela Neifert-Kraiser

Phone: (303)606-4398

Fax: ()

Email: vicki.schoeber@wpxenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030107

WELL LOCATION INFORMATION

QtrQtr: NESW Sec: 32 Twp: 7S Rng: 96W Meridian: 6

Latitude: 39.390874

Longitude: -108.135871

Footage at Surface: 1861 feet FNL/FSL FSL 1899 feet FEL/FWL FWL

Field Name: GRAND VALLEY

Field Number: 31290

Ground Elevation: 5115

County: GARFIELD

GPS Data:

Date of Measurement: 07/21/2014 PDOP Reading: 2.4 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

1041 FSL 550 FWL 1041 FSL 550 FWL
Sec: 32 Twp: 7S Rng: 96W Sec: 32 Twp: 7S Rng: 96W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

The 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: No

The right to construct the Oil and Gas Location is granted by: applicant is owner

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.)

Lease info is NA.

Total Acres in Described Lease: _____ 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: _____ Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 5280 Feet
Building Unit: 3773 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 450 Feet
Above Ground Utility: 1695 Feet
Railroad: 2460 Feet
Property Line: 237 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: 2796 Feet

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

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

SPACING & FORMATIONS COMMENTS

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or completed was calculated by measuring from this well to the SG 334-32 injectin well which is permitted into the same formation.

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
ILES	ILES			
ROLLINS-COZZETTE-CORCORAN	RCZCR			

DRILLING PROGRAM

Proposed Total Measured Depth: 5723 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 2236 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	60	50	60	0
SURF	13+1/2	9+5/8	32	0	1165	569	1165	0
1ST	8+1/2	5+1/2	11.6	0	5723	1266	5723	1896

☐ 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 well is an injection well.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 413733

Is this application being submitted with an Oil and Gas Location Assessment application? Yes

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: 7/24/2015 Email: vicki.schoeber@wpenergy.co

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: 9/23/2015

Expiration Date: 09/22/2017

API NUMBER

05 045 18533 00

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. Injection is not authorized until approval of Forms 31 and 33.</p> <p>2. Operator required to contact COGCC to discuss Step Rate Test or Injectivity Test criteria for Maximum Surface Injection Pressure determination.</p> <p>3. Prior approval of Form 4 is required for step rate and injectivity tests.</p> <p>4. Retrieve water sample(s) from injection zone(s) before stimulating formation. Samples must be analyzed for Total Dissolved Solids at a minimum.</p> <p>5. For all new drill Underground Injection Control wells a suite of open-hole Resistivity/Gamma Ray and Density/Neutron logs is required from Surface Casing shoe to TD. A PDF, TIFF, or PDS visual image and a LAS or DILS file version of each log is required.</p> <p>6. For all new and converted Underground Injection Control wells a Cement Bond Log (CBL) is required on the cased portions of the hole from the bottom of the casing to the top of the next shallower casing string for all casing strings other than the Surface Casing. Only a PDF, TIFF, or PDS visual image is required.</p> <p>7. Operator must provide all tops of formations encountered from surface to TD on the Form 5 when submitted.</p>
	<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>

Best Management Practices

No	BMP/COA Type	Description
1	Planning	One of the first wells drilled on the pad will be logged with open-hole Resistivity Log and Gamma Ray Log from TD into the surface casing. All wells on the pad will have a cement bond log with gamma-ray run on production casing (or on intermediate casing if production liner is run) into the surface casing. The Form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached. The Form 5 for a well without open-hole logs shall clearly state "No open-hole logs were run" and shall clearly identify (by API#, well name & number) the well in which open-hole logs were run.
2	General Housekeeping	<p>In addition to compliance with General Operating Requirements required under COGCC rule 1203 to be applied in Sensitive Wildlife Habitat and Restricted Surface Occupancy areas or COGCC 1204 to be applied statewide or in areas noted in the Rule, WPX will employ the following BMPs either field wide or at the specific location for which this Form 2A is being submitted.</p> <p>Field Wide BMPs:</p> <p>General</p> <ul style="list-style-type: none"> • Treat/control noxious weeds/plants including Tamarisk • Enforce policies to protect wildlife (e.g., no poaching, no firearms, no dogs on location, no feeding of wildlife, etc.).
3	Construction	<ul style="list-style-type: none"> • Protect culvert inlets from erosion and sedimentation and install energy dissipation structures at outfalls
4	Interim Reclamation	<ul style="list-style-type: none"> • Install automated emergency response systems (e.g., high tank alarms, emergency shut-down systems, etc.). • Evaluate the utility of soil amendment application to achieve effective reclamation. • Seed during appropriate season to increase likelihood of reclamation success • Apply certified weed free mulch and crimp or tacyfy to remain in place to reclaim areas for seed preservation and moisture retention

Total: 4 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>
2168030	PARCEL OWNERSHIP MAP
400872301	FORM 2 SUBMITTED
400873386	DIRECTIONAL DATA
400873387	DEVIATED DRILLING PLAN
400873388	WELL LOCATION PLAT
400873390	LEGAL/LEASE DESCRIPTION
400879461	LEASE MAP

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Removed lease information as it is not applicable to an injection well. Operator concurred.	9/23/2015 1:26:19 PM
Permit	Changed answer to the statement that the minerals beneath this location will be developed by this well from "yes" to "No", with operator approval. Attached new Mixed Parcel Ownership map from operator. The outline in blue on the Lease Map contains the 17 acre lease. As per operator, "The surface location of the well is on WPX property and the surface above the BHL is WPX property." Final review complete.	9/21/2015 1:23:35 PM
Engineer	Added UIC lead review task. There are no existing offset wells within 1,500 feet. There are two wells within 1/2 mile. 045-17975, WILLIAMS SG 522-32 producing from the WFCM and 045-22654, WPX SG 922-32D injecting into the COZZ and CRCRN. Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information was used in addition to locally-available geophysical logs and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 95 feet. 95 feet.	8/14/2015 8:22:18 AM
Permit	Opr has done as requested and is converting a AL to this location and well. Lease map now shows total acres. Opr owns the adjoining lease that is 97' from the proposed injection well. Logging BMP has been added. Form passes completeness.	8/12/2015 8:00:10 AM
Permit	There is an existing AL pad and two wells at this site. Requesting Opr to change this to a refile using one of the AL location ID's and API number. Request Lease map and total areas. Missing 317.p Logging BMP Returning form to draft.	7/30/2015 9:41:05 AM

Total: 5 comment(s)