

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

1712140

Plugging Bond Surety

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☐ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: WILLIAMS PRODUCTION RMT COMPANY

4. COGCC Operator Number: 96850

5. Address: 1515 ARAPAHOE ST STE 1000

City: DENVER State: CO Zip: 80202

6. Contact Name: HOWARDHARRIS Phone: (303)606-4086 Fax: (303)629-8272

Email: HOWARD.HARRIS@WILLIAMS.COM

7. Well Name: FEDERAL Well Number: SP 522-14

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

9. Proposed Total Measured Depth: 8412

WELL LOCATION INFORMATION

10. QtrQtr: SWNW Sec: 14 Twp: 7S Rng: 95W Meridian: 6

Latitude: 39.440374 Longitude: -107.972723

Footage at Surface: 1689 FNL/FSL FNL 470 FEL/FWL FWL

11. Field Name: PARACHUTE Field Number: 67350

12. Ground Elevation: 6752 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/27/2008 PDOP Reading: 6.0 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 2473 FNL 1841 FWL 2473 FNL 1841 FWL
Sec: 14 Twp: 7S Rng: 95W Sec: 14 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: 440 ft

18. Distance to nearest property line: 472 ft 19. Distance to nearest well permitted/completed in the same formation: 1475 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	139-64	640	ALL

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC05173

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: 532 ft 26. Total Acres in Lease: 2365

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☐ Offsite ☒ Onsite

Method: ☐ Land Farming ☐ Land Spreading ☐ Disposal Facility Other: EVAPORATION & BACKFIL

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR	24	18	48	45	25	45	0
SURF	13+1/2	9+5/8	32.3	1,110		1,110	0
1ST	7+7/8	4+1/2	11.6	8,412		8,412	

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

33. Comments SEE WILLIAMS PRODUCTION RMT MASTER APD DATED 04/27/06 FOR FEDERAL 10 POINT DRILLING PLAN AND 13 POINT SURFACE USE PLAN. CLOSED LOOP SYSTEM. WELL IS LOCATED WITHIN 3 MILE RADIUS FOR PROJECT RULISON. COGCC DOE NOTICE 07/29/09. OPERATOR DOE NOTICE 07/16/09.

34. Location ID: 322291

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: REGULATORY Date: 7/31/2009 Email: HOWARD.HARRIS@WILLIAM

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: David S. Neslin Director of COGCC Date: 10/31/2009

API NUMBER

05 045 18824 00

Permit Number: _____ Expiration Date: 10/30/2010

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.

24 HOUR SPUD NOTICE REQUIRED. E-MAIL: david.andrews@state.co.us GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE

PERFORM A HIGH ACCURACY GYROSCOPIC DIRECTIONAL WELLBORE SURVEY UPON REACHING TOTAL DEPTH OF THE WELL. E-MAIL A COPY OF THE SURVEY ALONG WITH A SUNDRY NOTICE, FORM 4 REQUESTING APPROVAL TO DAVID.ANDREWS@STATE.CO.US THE DIRECTIONAL DRILLING SURVEY REPORT SHALL INCLUDE A MAP VIEW AND A VERTICAL PROFILE VIEW SHOWING WELLBORE TRAJECTORY AND DISTANCE FROM THE 1/2 MILE RADIUS FROM PROJECT RULISON. THE OPERATOR SHALL OBTAIN APPROVAL FROM THE COGCC PRIOR TO COMMENCING CASING PERFORATING AND OTHER COMPLETION OPERATIONS. COMPLY WITH ALL DOE OFFICE OF LEGACY MANAGEMENT REQUESTS FOR SAMPLING AND ANALYSIS OF NATURAL GAS AND OTHER MATERIALS ASSOCIATED WITH DRILLING AND PRODUCTION.

CEMENT TOP VERIFICATION BY CBL REQUIRED. SPUD NOTICE MUST IDENTIFY IF THE WELL IS LOCATED IN TIER I OR TIER II OF THE APPROVED RULISON SAMPLING AND ANALYSIS PLAN. OPERATOR SHALL PROVIDE COMPLETE WELL-SPECIFIC EMERGENCY CONTACT INFORMATION TO THE COGCC AREA ENGINEER IN THE SPUD NOTICE PRIOR TO SPUDDING THE WELL. PRODUCED WATER FROM THIS LOCATION MAY NOT BE TRANSPORTED TO OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP. DRILL SOLIDS AND CUTTINGS FROM THIS LOCATION MAY NOT BE TRANSPORTED TO, DISPOSED OF OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP. A CLOSED LOOP MUD SYSTEM SHALL BE UTILIZED TO ENSURE CONTAINMENT OF ALL MATERIALS THAT HAVE BEEN IN CONTACT WITH DOWNHOLE STRATA AND FLUIDS. ALL CUTTINGS AND FRESH MAKE UP WATER STORAGE PITS SHALL BE LINED TO ENSURE CONTAINMENT. CONTOUR FEATURES, FRENCH DRAINS AND OTHER STORMWATER BMPS AS NECESSARY SHALL BE EMPLOYED TO ENSURE SITE INTEGRITY. NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN ONE RIG WITHIN ONE MILE OF THE PROJECT RULISON BLAST SITE AT ANY GIVEN TIME AND NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN TWO RIGS WITHIN A THREE MILE RADIUS OF THE SITE AT ANY GIVEN TIME. THE TOTAL NUMBER OF RIGS ALLOWED BY ALL OPERATORS WITHIN THREE MILES OF THE SITE SHALL BE LIMITED TO FIVE AT ANY GIVEN TIME.

OPERATOR SHALL COMPLY WITH ALL PROVISIONS OF THE MOST RECENT COGCC APPROVED REVISION OF THE RULISON SAMPLING AND ANALYSIS PLAN. IN ADDITION TO THE PRODUCED WATER SAMPLING AND ANALYSIS OUTLINED IN SECTION 5.8 OF THE PLAN THE OPERATORS SHALL ALSO OBTAIN AND ANALYZE PRODUCED WATER SAMPLES ON WELLS DESCRIBED IN THE PLAN FOR CONSTITUENTS LISTED IN THE PLAN USING THE SPECIFIED METHOD WHERE APPLICABLE. 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.

24-HOUR SPUD NOTICE REQUIRED. E-MAIL david.Andrews@state.co.us GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.

PERFORM A HIGH-ACCURACY GYROSCOPIC DIRECTIONAL WELLBORE SURVEY UPON REACHING TOTAL DEPTH OF THE WELL. E-MAIL A COPY OF THE SURVEY ALONG WITH A SUNDRY NOTICE, FORM 4, REQUESTING APPROVAL TO DAVID.ANDREWS@STATE.CO.US THE DIRECTIONAL DRILLING SURVEY REPORT SHALL INCLUDE A MAP VIEW AND A VERTICAL PROFILE VIEW SHOWING WELLBORE TRAJECTORY AND DISTANCE FROM THE ½-MILE RADIUS FROM PROJECT RULISON. THE OPERATOR SHALL OBTAIN APPROVAL FROM THE COGCC PRIOR TO COMMENCING CASING-PERFORATING AND OTHER COMPLETION OPERATIONS. COMPLY WITH ALL DOE OFFICE OF LEGACY MANAGEMENT REQUESTS FOR SAMPLING AND ANALYSIS OF NATURAL GAS AND OTHER MATERIALS ASSOCIATED WITH DRILLING AND PRODUCTION.

CEMENT-TOP VERIFICATION BY CBL REQUIRED. FLOWBACK TO TANKS ONLY. SUBMIT A SECONDARY AND TERTIARY CONTAINMENT PLAN VIA SUNDRY NOTICE FORM 4 FOR THE TANKS. ATTN: CHRIS CANFIELD. OBTAIN APPROVAL OF THE PLAN PRIOR TO FLOWBACK. SPUD NOTICE MUST IDENTIFY IF THE WELL IS LOCATED IN TIER I OR TIER II OF THE APPROVED RULISON SAMPLING AND ANALYSIS PLAN. OPERATOR SHALL PROVIDE COMPLETE WELL-SPECIFIC EMERGENCY CONTACT INFORMATION TO THE COGCC AREA ENGINEER IN THE SPUD NOTICE PRIOR TO SPUDDING THE WELL. PRODUCED WATER FROM THIS LOCATION MAY NOT BE TRANSPORTED TO OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP. DRILL SOLIDS AND CUTTINGS FROM THIS LOCATION MAY NOT BE TRANSPORTED TO, DISPOSED OF, OR RE-USED AT ANOTHER LOCATION WITHOUT SPECIFIC WRITTEN APPROVAL FROM COGCC AND ONLY AFTER ANALYSIS CONFIRMS COMPLIANCE WITH THE RULISON SAP. A CLOSED-LOOP MUD SYSTEM SHALL BE UTILIZED TO ENSURE CONTAINMENT OF ALL MATERIALS THAT HAVE BEEN IN CONTACT WITH DOWNHOLE STRATA AND FLUIDS. ALL CUTTINGS AND FRESH MAKE-UP WATER STORAGE PITS SHALL BE LINED TO ENSURE CONTAINMENT. CONTOUR FEATURES, FRENCH DRAINS, AND OTHER STORMWATER BMPS AS NECESSARY SHALL BE EMPLOYED TO ENSURE SITE INTEGRITY. NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN ONE RIG WITHIN ONE MILE OF THE PROJECT RULISON BLAST SITE AT ANY GIVEN TIME AND NO INDIVIDUAL OPERATOR SHALL UTILIZE MORE THAN TWO RIGS WITHIN A THREE MILE RADIUS OF THE SITE AT ANY GIVEN TIME. THE TOTAL NUMBER OF RIGS ALLOWED BY ALL OPERATORS WITHIN THREE MILES OF THE SITE SHALL BE LIMITED TO FIVE AT ANY GIVEN TIME.

OPERATOR SHALL COMPLY WITH ALL PROVISIONS OF THE MOST RECENT COGCC-APPROVED REVISION OF THE RULISON SAMPLING AND ANALYSIS PLAN. IN ADDITION TO THE PRODUCED-WATER SAMPLING AND ANALYSIS OUTLINED IN SECTION 5.8 OF THE PLAN, THE OPERATOR SHALL ALSO OBTAIN AND ANALYZE PRODUCED-WATER SAMPLES ON WELLS DESCRIBED IN THE PLAN FOR CONSTITUENTS LISTED IN THE PLAN USING THE SPECIFIC METHOD WHERE APPLICABLE. THE MOISTURE CONTENT OF ANY DRILL CUTTINGS IN A CUTTINGS PIT, TRENCH, OR PILE SHALL BE AS LOW AS PRACTICABLE TO PREVENT ACCUMULATION OF LIQUIDS GREATER THAN DE-MINIMIS AMOUNTS. AT THE TIME OF CLOSURE, THE DRILL CUTTINGS MUST ALSO MEET THE APPLICABLE STANDARDS OF TABLE 910-1. 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.

Attachment Check List

Att Doc Num	Name	Doc Description
1712140	APD ORIGINAL	LF@2114606 1712140
1712156	LOCATION PICTURES	LF@2114661 1712156
1712157	LOCATION PICTURES	LF@2114663 1712157
1712158	LOCATION PICTURES	LF@2114665 1712158
1712159	WELL LOCATION PLAT	LF@2114608 1712159
1712160	ACCESS ROAD MAP	LF@2114610 1712160
1712161	OIL & GAS LEASE	LF@2114612 1712161
1712162	DEVIATED DRILLING PLAN	LF@2114614 1712162
1712163	FED. DRILLING PERMIT	LF@2114616 1712163
1712164	DRILLING PLAN	LF@2114618 1712164
1712225	CORRESPONDENCE	LF@2118536 1712225

Total Attach: 11 Files