

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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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

Document Number:
2093324
Plugging Bond Surety
20030107

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: JENNIFER HEAD Phone: (303)606-4342 Fax: (303)629-8275
Email: JENNIFER.HEAD@WILLIAMS.COM

7. Well Name: FEDERAL RGU Well Number: 522-35-198

8. Unit Name (if appl): RYAN GULCH UNIT Unit Number: COC068239
X

9. Proposed Total Measured Depth: 12268

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 35 Twp: 1S Rng: 98W Meridian: 6
Latitude: 39.919264 Longitude: -108.362546

Footage at Surface: 2448 FNL/FSL FSL 1938 FEL/FWL FWL

11. Field Name: SULPHUR CREEK Field Number: 80090

12. Ground Elevation: 6778.3 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 11/10/2008 PDOP Reading: 2.4 Instrument Operator's Name: MARK BESSIE

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 2387 FNL 1938 FWL 2387 FNL 1938 FWL
Bottom Hole: FNL/FSL 2387 FNL 1938 FWL
Sec: 35 Twp: 1S Rng: 98W Sec: 35 Twp: 1S Rng: 98W

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: 213 ft

18. Distance to nearest property line: 1938 ft 19. Distance to nearest well permitted/completed in the same formation: 660 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.)
ILES	ILES			
SEGO	SEGO			
WILLIAMS FORK	WMFK			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC060735

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 Bon \$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):
 T1S, R98W: SECTION 34, LOTS 1, 8; SECTION 35, LOTS 1-16; SECTION 36, LOTS 2-7, 10-16

25. Distance to Nearest Mineral Lease Line: 1950 ft 26. Total Acres in Lease: 1209

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	80	135	80	0
SURF	14+3/4	9+5/8	36	3,828		3,828	0
1ST	8+3/4	4+1/2	11.6	12,268		12,268	

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

33. Comments **CEMENT WILL BE CIRCULATED TO THE SURFACE IN THE CONDUCTOR STRING. CEMENT WILL BE CIRCULATED TO 200' ABOVE THE UPPERMOST MESAVERDE SAND IN THE PRODUCTION STRING. LOCATION AND PITS CONSTRUCTED; NOT LOCATED IN AN RSO. NO EXPANSION IS NEEDED. MOU IN PLACE WITH THE DOW FOR WINTER OPS. DERRICK HEIGHT 142'.**

34. Location ID: 316596

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: JENNIFER HEAD

Title: REGULATORY Date: 12/21/2009 Email: JENNIFER.HEAD@WILLIAMS.

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: 1/28/2010

API NUMBER 05 103 11492 00	Permit Number: _____	Expiration Date: <u>1/27/2011</u>
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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) 24-HOUR SPUD NOTICE REQUIRED. E-MAIL Shaun.Kellerby@state.co.us (2) RESERVE PIT MUST BE LINED.
(3) CEMENT-TOP VERIFICATION BY CBL REQUIRED. (4) OPERATOR MUST ENSURE 110 PERCENT SECONDARY CONTAINMENT FOR ANY VOLUME OF FLUIDS CONTAINED AT WELL-SITE DURING DRILLING AND COMPLETION OPERATIONS. IF FLUIDS ARE CONVEYED VIA PIPELINE, OPERATOR MUST IMPLEMENT BEST-MANAGEMENT-PRACTICES TO CONTAIN ANY UNINTENTIONAL RELEASE OF FLUIDS. (5) 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.
(6) NO PORTION OF ANY PIT THAT WILL BE USED TO HOLD LIQUIDS SHALL BE CONSTRUCTED ON FILL MATERIAL, UNLESS THE PIT AND FILL SLOPE ARE DESIGNED AND CERTIFIED BY A PROFESSIONAL ENGINEER, SUBJECT TO REVIEW AND APPROVAL BY THE DIRECTOR PRIOR TO CONSTRUCTION OF THE PIT. THE CONSTRUCTION AND LINING OF THE PIT SHALL BE SUPERVISED BY A PROFESSIONAL ENGINEER OR THEIR AGENT. THE ENTIRE BASE OF THE PIT MUST BE IN CUT. (7) 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 1874 FEET DEEP.

Attachment Check List

Att Doc Num	Name	Doc Description
2093324	APD ORIGINAL	LF@2200493 2093324
400023922	FORM 2 SUBMITTED	LF@2206710 400023922

Total Attach: 2 Files