

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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| DE | ET | OE | ES |
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Document Number:

400087219

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: Matt Barber Phone: (303)606-4385 Fax: (303)629-8268

Email: Matt.Barber@Williams.com

7. Well Name: Federal Well Number: RG 412-14-298

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

9. Proposed Total Measured Depth: 10944

WELL LOCATION INFORMATION

10. QtrQtr: LOT 5 Sec: 14 Twp: 2s Rng: 98w Meridian: 6

Latitude: 39.880517 Longitude: -108.366897

Footage at Surface: 1663 FNL/FSL FNL 495 FEL/FWL FWL

11. Field Name: Sulphur Creek Field Number: 80090

12. Ground Elevation: 6555 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 02/16/2010 PDOP Reading: 1.5 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 2295 FNL 640 FWL FWL Bottom Hole: FNL/FSL 2295 FNL 640 FWL FWL
Sec: 14 Twp: 2s Rng: 98w Sec: 14 Twp: 2s 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: 3500 ft

18. Distance to nearest property line: 2859 ft 19. Distance to nearest well permitted/completed in the same formation: 317 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Sego | SEGO | 527-6 | | |
| Williams & Iles | WFILS | 527-6 | | |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COC66586

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):
T2S-R98W 6th PM; State: Colorado; County: Rio Blanco; Sec. 12: Lot 11-16; Sec. 14: Lot 2-7; Sec. 14: SW, W2SE

25. Distance to Nearest Mineral Lease Line: 640 ft 26. Total Acres in Lease: 666

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 & Backfilling

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 | 26 | 18 | 48# | 80 | 135 | 80 | 0 |
| SURF | 14+3/4 | 9+5/8 | 36# | 3,018 | | 3,018 | 0 |
| 3RD | 8+3/4 | 4+1/2 | 11.6# | 10,944 | 800 | 10,944 | |

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

33. Comments Location constructed, will be expanded. 2A application accompanies this APD.

34. Location ID: 335993

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: Matt Barber

Title: Sr. Regulatory Specialist Date: 8/25/2010 Email: Matt.Barber@Williams.com

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: 9/29/2010

API NUMBER

05 103 11795 00

Permit Number: _____ Expiration Date: 9/28/2012

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) CEMENT-TOP VERIFICATION BY CBL REQUIRED.

(3) 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.

(4) 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 00 FEET DEEP.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 400087219 | FORM 2 SUBMITTED | LF@2530329 400087219 |
| 400087309 | WELL LOCATION PLAT | LF@2530330 400087309 |
| 400087310 | TOPO MAP | LF@2530331 400087310 |
| 400087311 | DEVIATED DRILLING PLAN | LF@2530332 400087311 |
| 400087312 | FED. DRILLING PERMIT | LF@2530333 400087312 |

Total Attach: 5 Files

General Comments

| User Group | Comment | Comment Date |
|------------|--------------------------------------------------|--------------------------|
| Permit | PERMITTING PASSED | 9/29/2010 7:57:24 AM |
| Permit | QTR/QTR changed to Lot 5 with Opr-Dan's approval | 8/26/2010 10:51:16 AM |

Total: 2 comment(s)

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