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Document Number:
 400231572
 PluggingBond SuretyID
 20060137

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL
 OIL GAS COALBED OTHER _____
 SINGLE ZONE MULTIPLE COMMINGLE

- Refiling
 Sidetrack

3. Name of Operator: OXY USA WTP LP 4. COGCC Operator Number: 66571
 5. Address: P O BOX 27757
 City: HOUSTON State: TX Zip: 77227
 6. Contact Name: Joan Proulx Phone: (970)263.3641 Fax: (970)263.3694
 Email: joan_proulx@oxy.com
 7. Well Name: Shell Well Number: 797-03-29A
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 7480

WELL LOCATION INFORMATION

10. QtrQtr: Tct 71 Sec: 3 Twp: 7S Rng: 97W Meridian: 6
 Latitude: 39.479580 Longitude: -108.202030
 Footage at Surface: 793 feet FNL/FSL FNL 1501 feet FEL/FWL FEL
 11. Field Name: Grand Valley Field Number: 31290
 12. Ground Elevation: 6480 13. County: GARFIELD

14. GPS Data:
 Date of Measurement: 08/17/2011 PDOP Reading: 1.7 Instrument Operator's Name: B Baker

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL 2268 FNL 2208 FEL FEL Bottom Hole: FNL/FSL 2268 FNL 2208 FEL FEL
 Sec: 3 Twp: 7S Rng: 97W Sec: 3 Twp: 7S Rng: 97W

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: 13086 ft
 18. Distance to nearest property line: 1163 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 330 ft

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	510-26		

21. Mineral Ownership: Fee State Federal Indian Lease #: _____
 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 Mineral Lease Description

25. Distance to Nearest Mineral Lease Line: 431 ft 26. Total Acres in Lease: 4764

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 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: Land Farming Land Spreading Disposal Facility Other: _____

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	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	20+0/0	16+0/0	65	0	90	90	90	0
SURF	14+3/4	9+5/8	36	0	1,300	614	1,300	0
1ST	8+3/4	4+1/2	11.6	0	7,451	1,737	7,451	3,866

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

33. Comments The Shell 797-03A well pad has not been constructed. A semi-closed loop system will be used. Per GarCo Vacation Ordinance dated 10-5-1987, CR 213 is now OXY's private property north of Sec 8, 7S, 97W, 6 PM. Oxy will provide appropriate housing for essential personnel in order to conduct safe, efficient drilling operations at this well site. Note: The original well number 797-03-29A was assigned API 05-045-17881. A Form 4 Sundry was approved on 10/7/2011 to abandon the location for that API. OXY USA WTP LP has an agreement with Shell Frontier Oil & Gas, Inc., whereby Oxy is able to build pads and drill wells on Shell property.

34. Location ID: _____

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: Joan Proulx

Title: Regulatory Analyst Date: 12/14/2011 Email: joan_proulx@oxy.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. Nash Director of COGCC Date: 1/15/2012

API NUMBER
05 045 17881 00

Permit Number: _____ Expiration Date: 1/14/2014

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) GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS. NOTE: ALL NOTICES SHALL BE GIVEN VIA E-MAIL. SEE ATTACHED NOTICE.
- (3) 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.
- (4) 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.
- (5) 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.
- (6) THE 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
400231572	APD APPROVED
400231574	WELL LOCATION PLAT
400231575	DEVIATED DRILLING PLAN
400231576	TOPO MAP
400231577	LEGAL/LEASE DESCRIPTION
400241108	FORM 2 SUBMITTED

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No public or LGD comments Comprehensive Final Review status -- Passed	1/9/2012 9:18:26 AM
Permit	Added comment to Operator Comments indicating OXY has an agreement with Shell Changed distance to nearest surface feature to correspond to the information reported on the OGLA Changed to a refile application, original filing was AL	12/20/2011 5:43:47 PM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)