

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



Document Number:

400255507

Date Received:

02/27/2012

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 ☒

Refilling ☐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: Cascade Creek Well Number: 697-04-76B

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

9. Proposed Total Measured Depth: 9726

WELL LOCATION INFORMATION

10. QtrQtr: NWSW Sec: 4 Twp: 6S Rng: 97W Meridian: 6

Latitude: 39.548830 Longitude: -108.230120

Footage at Surface: 1504 feet FNL/FSL 1139 feet FEL/FWL
 FSL FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8641 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 04/08/2011 PDOP Reading: 1.6 Instrument Operator's Name: R Seal

15. 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
 675 FSL 2325 FWL 675 FSL 2325 FWL
 Sec: 4 Twp: 6S Rng: 97W Sec: 4 Twp: 6S 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: 6693 ft

18. Distance to nearest property line: 4273 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 451 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	510-48		
Williams Fork	WMFK	510-15		

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #:22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. 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: 4394 ft

26. Total Acres in Lease: 9640

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	86	90	86	0
SURF	14+3/4	9+5/8	36	0	2,690	1,967	2,690	0
1ST	8+3/4	4+1/2	11.6	0	9,468	1,885	9,468	5,991

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

33. Comments UNPLANNED SIDETRACK. This well was drilled to a TD of 9,504'. While running the 4.5" production casing a restriction was encountered at 5,290'. With difficulty, casing was continued to 6,310' but was unable to pass this depth. A reaming assembly was unable to pass 5,227'. Production casing was not set. There is no fish in the hole. The actual KOP was 3,116'. Proposed objective formation: same as original (WMFK, ILES). Verbal/email approval to sidetrack granted by David Andrews via email on 2/17/2012. Original APD document #400154971, approved on 5/19/2011. Oxy is both the surface and mineral owner.

34. Location ID: 423240

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: 2/27/2012 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:  Director of COGCC Date: 3/19/2012

API NUMBER

05 045 20729 01

Permit Number: _____ Expiration Date: 3/18/2014

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) 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.

Attachment Check List

Att Doc Num	Name
400255507	FORM 2 SUBMITTED
400255541	WELL LOCATION PLAT
400255542	DEVIATED DRILLING PLAN
400255688	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	unplanned sidetrack sundry #2287520 approved 3/16/2012. public comment period waived. Final Comprehensive Review Status--passed.	3/16/2012 2:40:28 PM
Permit	added comment that Oxy is both surface and mineral owner. change in BHL is legal location.	3/12/2012 7:32:33 AM

Total: 2 comment(s)

BMP

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

Total: 0 comment(s)