

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400274949

Date Received:

04/23/2012

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

PluggingBond SuretyID

19880020

3. Name of Operator: MARATHON OIL COMPANY

4. COGCC Operator Number: 53650

5. Address: 5555 SAN FELIPE RD

City: HOUSTON State: TX Zip: 77056

6. Contact Name: Janet Cole Phone: (713)296-3205 Fax: ()

Email: jpcole@marathonoil.com

7. Well Name: 697-26A Well Number: 16

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

9. Proposed Total Measured Depth: 9200

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 26 Twp: 6S Rng: 97W Meridian: 6

Latitude: 39.498800 Longitude: -108.183020

Footage at Surface: 888 feet FNL 1400 feet FEL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 8415.3 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 02/12/2010 PDOP Reading: 2.0 Instrument Operator's Name: William H Dolinar

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
1796 FNL 1978 FEL 1796 FNL 1978 FEL
Sec: 26 Twp: 6S Rng: 97W Sec: 26 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: 883 ft

18. Distance to nearest property line: 888 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 638 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.)
William Fork	WMFK	510-21		

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):

Please see map submitted with previous filing.

25. Distance to Nearest Mineral Lease Line: 3302 ft 26. Total Acres in Lease: 7393

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	16	53	0	100	100	100	0
SURF	14+3/4	9+5/8	36	0	2,000	1,000	2,000	0
1ST	8+3/4	4+1/2	11.6	0	9,200	675	9,200	5,500

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

33. Comments Surface is owned by Puckett. Minerals are owned by Puckett. No visible improvements within 400' of wellhead. Pad and pits have been constructed: four wells are producing; Location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii). The location is not in a wildlife restricted surface occupancy area. The refiled well will not require any expansion/additional surface disturbance of the pad. No other changes to APD.

34. Location ID: 416157

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: Janet Cole

Title: Sr Regulatory Rep Date: 4/23/2012 Email: jpcole@marathonoil.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 5/18/2012

API NUMBER 05 045 19230 00	Permit Number: _____	Expiration Date: <u>5/17/2014</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) 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) COMPLY WITH ALL PROVISIONS OF THE JUNE 12, 2008 NOTICE TO OPERATORS DRILLING WELLS WITHIN 3/4 MILE OF THE RIM OF THE ROAN PLATEAU IN GARFIELD COUNTY - PIT DESIGN, CONSTRUCTION AND MONITORING REQUIREMENTS. SEE ATTACHED NOTICE.
- 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 500 FEET DEEP.

Attachment Check List

Att Doc Num	Name
400274949	FORM 2 SUBMITTED
400274993	DEVIATED DRILLING PLAN
400274995	DIRECTIONAL DATA

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD passed; pub. comments waived. Final Review--passed.	5/14/2012 10:31:12 AM
Permit	Changed #36 to "NO".	5/10/2012 11:45:38 AM
LGD	passed kwdbmf	5/7/2012 10:41:21 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)