

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:

400324173

Date Received:

09/21/2012

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

3. Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLC 4. COGCC Operator Number: 96850

5. Address: 1001 17TH STREET - SUITE #1200
City: DENVER State: CO Zip: 80202

6. Contact Name: Howard Harris Phone: (303)606-4086 Fax: (303)629-8268
Email: howard.harris@wpxenergy.com

7. Well Name: Federal Well Number: BCU 341-36-199

8. Unit Name (if appl): Barcus Creek Un Unit Number: COC070700

9. Proposed Total Measured Depth: 10306

WELL LOCATION INFORMATION

10. QtrQtr: Lot 12 Sec: 36 Twp: 1N Rng: 99W Meridian: 6
Latitude: 40.015315 Longitude: -108.447357

Footage at Surface: 1428 feet FNL/FSL FNL 1092 feet FEL/FWL FEL

11. Field Name: Sulphur Creek Field Number: 80090

12. Ground Elevation: 6869 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 09/15/2011 PDOP Reading: 2.4 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 822 FNL 661 FEL FEL Bottom Hole: FNL/FSL 822 FNL 661 FEL FEL
Sec: 36 Twp: 1N Rng: 99W Sec: 36 Twp: 1N Rng: 99W

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: 1400 ft

18. Distance to nearest property line: 11600 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 630 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 #: 60846

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

25. Distance to Nearest Mineral Lease Line: 661 ft 26. Total Acres in Lease: 916

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: Re-Use, Evap & Backfill

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	30	18	48	0	80	50	80	0
SURF	14+3/4	9+5/8	36	0	3,153	1,264	3,153	0
1ST	8+3/4	4+1/2	11.6	0	10,306	992	10,306	

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

33. Comments Top of cement for production casing will be approx 200 feet above the top of Mesaverde. Closed mud system will be used. Fed minerals and surface. This is a new location from which 4 wells are being permitted at this time. See Williams WPX Energy Master 10 Point Drilling Plan dated 3/24/11 for all specific drilling stipulations

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: Howard Harris

Title: Sr. Regulatory Specialist Date: 9/21/2012 Email: howard.harris@wpenergy.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: Matthew Lee Director of COGCC Date: 10/17/2012

API NUMBER: **05 103 11948 00** Permit Number: _____ Expiration Date: 10/16/2014

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.

Attachment Check List

Att Doc Num	Name
400324173	FORM 2 SUBMITTED
400328334	WELL LOCATION PLAT
400328336	LEGAL/LEASE DESCRIPTION
400329215	DEVIATED DRILLING PLAN
400329216	FED. DRILLING PERMIT
400330845	DIRECTIONAL DATA

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed.	10/17/2012 2:03:47 PM
Engineer	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.	9/26/2012 2:28:15 PM
Permit	Operator amended well location on directional data excel spreadsheet and import spreadsheet to correlate with well location information submitted.	9/26/2012 11:55:17 AM
Permit	Return to Draft: 1. Directional data excel spreadsheet well location (lot 5, sec. 36, 1s, 99w) does not match submitted well location (lot 12, sec. 36, 1n, 99w). 2. Directional data template/import well location (lot 5, sec. 36, 1s, 99w) does not match submitted well location.	9/23/2012 11:44:11 PM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	<p>Structures for perennial or intermittent stream channel crossings should be constructed using appropriately sized bridges or culverts</p> <p>Design road crossings of streams to allow fish passage at all flows and to minimize the generation of sediment.</p> <p>Design road crossings of streams at right angles to all riparian corridors and streams to minimize the area of disturbance to the extent possible.</p>
Planning	<p>Share/consolidate corridors for pipeline ROWs to the maximum extent possible.</p> <p>Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas.</p> <p>Minimize newly planned activities and operations within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river.</p> <p>Locate roads outside of drainages where possible and outside of riparian habitat.</p> <p>Avoid constructing any road segment in the channel of an intermittent or perennial stream</p> <p>Avoid new surface disturbance and placing new facilities in key wildlife habitats in consultation with CDOW.</p> <p>Use existing roads where possible</p> <p>Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors</p> <p>Combine and share roads to minimize habitat fragmentation</p> <p>Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development</p> <p>Place roads to avoid obstructions to migratory routes for wildlife, and to avoid displacement of wildlife from public to private lands.</p> <p>Design roads with visual and auditory buffers or screens (e.g., topographic barriers, vegetation, and distance).</p> <p>Maximize the use of directional drilling to minimize habitat loss/fragmentation</p> <p>Maximize use of remote telemetry for well monitoring to minimize traffic</p> <p>Restrict oil and gas activities as practical</p>
Drilling/Completion Operations	<p>Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures).</p>
Final Reclamation	<p>Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements</p> <p>Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife</p> <p>WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas.</p> <p>Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.</p> <p>Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.</p> <p>Avoid dust suppression activities within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river where possible.</p>

Total: 4 comment(s)