

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:

400299913

Date Received:

09/27/2012

PluggingBond SuretyID

20030107

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: 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: Greg Davis Phone: (303)606-4071 Fax: (303)629-8268

Email: greg.j.davis@wpxenergy.com

7. Well Name: Strait Well Number: SG 42-22

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

9. Proposed Total Measured Depth: 5516

WELL LOCATION INFORMATION

10. QtrQtr: LOT 7 Sec: 22 Twp: 7S Rng: 96W Meridian: 6

Latitude: 39.426108 Longitude: -108.087953

Footage at Surface: 1518 feet FNL/FSL 280 feet FEL/FWL FEL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 5212 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 05/24/2012 PDOP Reading: 1.9 Instrument Operator's Name: Robert Kay

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1432 FNL 177 FEL 1432 FNL 177 FEL
Sec: 22 Twp: 7S Rng: 96W Sec: 22 Twp: 7S Rng: 96W

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: 1638 ft

18. Distance to nearest property line: 121 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 910 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.)
Williams Fork	WMFK	510-14	160	NE/4

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.

25. Distance to Nearest Mineral Lease Line: 101 ft

26. Total Acres in Lease: 488

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 and evaporation

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	26	18	48#	0	60	25	60	0
SURF	13+1/2	9+5/8	32.3#	0	652	180	652	0
1ST	8+3/4	4+1/2	11.6#	0	5,516	727	5,516	

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

33. Comments Closed Loop. Request for exception location.

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: Greg Davis

Title: Supervisor Permits

Date: 9/27/2012

Email: greg.j.davis@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: 10/26/2012

API NUMBER

05 045 21751 00

Permit Number: _____ Expiration Date: 10/25/2014

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) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS IS REQUIRED.

3) CEMENT ON PRODUCTION CASING MUST BE A MINIMUM OF 200' ABOVE THE TOP OF THE MESA VERDE FORMATION (OR 200' ABOVE THE OHIO CREEK FORMATION IF PRESENT). CEMENT TOP VERIFICATION BY CBL IS REQUIRED. THIS REQUIREMENT SHALL SUPERSEDE THE TOP OF CEMENT REQUIREMENTS IN THE NEW MAMM CREEK FIELD NOTICE TO OPERATORS.

Attachment Check List

Att Doc Num	Name
400299913	FORM 2 SUBMITTED
400304020	WELL LOCATION PLAT
400304024	LEGAL/LEASE DESCRIPTION
400304027	SURFACE AGRMT/SURETY
400304465	DIRECTIONAL DATA
400304467	DEVIATED DRILLING PLAN
400325573	EXCEPTION LOC REQUEST
400325574	EXCEPTION LOC WAIVERS
400327799	TOPO MAP

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Request ltr. for exception location to 603.a(2) and signed waiver attached. No LGD or public comments. Final Review--passed.	10/23/2012 3:32:49 PM
Permit	Corrected qtr/qtr	10/16/2012 11:48:07 AM
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 82 FEET DEEP.	10/16/2012 8:36:49 AM
LGD	Passed DB	10/2/2012 9:32:05 AM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)