

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:

400318966

Date Received:

11/27/2012

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL GAS COALBED OTHER Horizontal Lateral
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

PluggingBond SuretyID

20030107

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: Bosely Well Number: SG 701-23 HN1

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

9. Proposed Total Measured Depth: 13942

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 23 Twp: 7S Rng: 96W Meridian: 6

Latitude: 39.418154 Longitude: -108.086320

Footage at Surface: 793 feet FSL 202 feet FWL

11. Field Name: Grand Valley Field Number: 31290

12. Ground Elevation: 5071 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 03/09/2012 PDOP Reading: 2.0 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 FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
793 FSL 529 FEL 861 FSL 524 FWL
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: 254 ft

18. Distance to nearest property line: 595 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 10300 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.)
Niobrara-Frontier	NB-FR	510-59	2606	All 22,23,26,27

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. Surface owner owns minerals within the 2606 Drilling and Spacing Unit. This is a horizontal wellbore crossing multiple lease lines.

25. Distance to Nearest Mineral Lease Line: 0 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	30	20	52.7#	0	60	50	60	0
SURF	17+1/2	13+3/8	68#	0	1,555	595	1,555	0
1ST	12+1/4	9+5/8	47#	0	9,267	2,382	9,267	2,035
2ND	8+1/2	5+1/2	23#	0	13,942	722	13,942	8,300

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

33. Comments Closed Loop. This wellbore is the horizontal lateral of the well.

34. Location ID: 334689

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: 11/27/2012 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: 1/4/2013

API NUMBER
05 045 21849 01

Permit Number: _____ Expiration Date: 1/3/2015

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) 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.
- (4) Provide cement coverage from the intermediate casing shoe to a minimum of 200' above the shallowest-known producing horizon. Verify cement with a cement bond log.
- (5) If the production liner is cemented, verify cement with a cement bond log.

Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.
NW Colorado Notification Policy.
Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400318966	FORM 2 SUBMITTED
400319301	WELL LOCATION PLAT
400319304	LEGAL/LEASE DESCRIPTION
400319305	TOPO MAP
400345804	SURFACE AGRMT/SURETY
400350479	DIRECTIONAL DATA
400350485	DEVIATED DRILLING PLAN

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Per oper. deleted multiple formations since lateral will target Niobrara. No LGD or public comments. Final review--passed.	1/2/2013 12:42:38 PM
LGD	Pass, KHW	12/21/2012 4:13:21 PM
Permit	Per oper. corrected Top PZ footages. Landing point @ 7923'.	12/18/2012 9:52:30 AM
Permit	Changed #22a to "YES" and #22b to "NA". Distance to nearest unit boundary is 602' based on the well location plat showing end of completions.	12/14/2012 10:03:38 AM
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 250 FEET DEEP.	12/10/2012 3:40:49 PM
Permit	Operator corrected SHL to 202' FWL. This form passed completeness.	12/3/2012 2:41:44 PM
Permit	Return to draft: 1. well location plat indicates SHL 202' FWL, which does not match submitted form question #10 SHL, 202' FEL.	12/1/2012 12:06:47 PM

Total: 7 comment(s)

BMP

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

Total: 0 comment(s)