

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:

400396368

Date Received:

03/27/2013

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: WEXPRO COMPANY

4. COGCC Operator Number: 95960

5. Address: P O BOX 45003

City: SALT LAKE CITY State: UT Zip: 84145-0601

6. Contact Name: Tammy Fredrickson Phone: (307)3527514 Fax: (307)3527575

Email: Tammy.Fredrickson@Questar.com

7. Well Name: BW Musser Well Number: 44

8. Unit Name (if appl): Powder Wash Unit Number: COC47671A

9. Proposed Total Measured Depth: 9619

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 8 Twp: 11N Rng: 97W Meridian: 6

Latitude: 40.926964 Longitude: -108.307561

Footage at Surface: 2346 feet FNL/FSL 368 feet FEL/FWL FEL

11. Field Name: Powder Wash Field Number: 69800

12. Ground Elevation: 6769 13. County: MOFFAT

14. GPS Data:

Date of Measurement: 11/28/2011 PDOP Reading: 1.1 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 1996 FSL 600 FWL FWL Bottom Hole: FNL/FSL 1996 FSL 600 FWL FWL
Sec: 9 Twp: 11N Rng: 97W Sec: 9 Twp: 11N 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: 240 ft

18. Distance to nearest property line: 18200 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 819 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.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| Fort Union | FTUN | | | |
| Wasatch | WSTC | | | |

21. Mineral Ownership: ☐ Fee ☐ State ☒ Federal ☐ Indian Lease #: COD038749

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 map attached.

25. Distance to Nearest Mineral Lease Line: 600 ft 26. Total Acres in Lease: 1896

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: Closed Loop System

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 | 45 | 0 | 80 | 120 | 80 | 0 |
| SURF | 12+1/4 | 9+5/8 | 36 | 0 | 1,500 | 535 | 1,500 | 0 |
| 1ST | 7+7/8 | 4+1/2 | 13.5 | 0 | 9,619 | 1,436 | 9,619 | 0 |

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

33. Comments This well will be directionally drilled and there will be three additional well bores on the pad to minimize surface disturbance. This pad is covered under the Surface Use Plan for the Powder Wash Government 5 Pad. Surface hole has had sundry approval for amendments since the original APD approval.

34. Location ID: 421750

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: Jimmy L Druce

Title: General Manager Date: 3/27/2013 Email: Jimmy.Druce@Questar.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: 7/13/2013

API NUMBER

05 081 07649 00

Permit Number: _____ Expiration Date: 7/12/2015

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) CEMENT ON PRODUCTION CASING MUST BE AT LEAST 200' ABOVE TOP OF FT. UNION AND COMPLY WITH RULES 209 AND 317.I. SEGREGATE OIL, GAS, AND FRESH-WATER-BEARING ZONES AND PROTECT COAL SEAMS. VERIFY TOP WITH CBL.

Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 400396368 | FORM 2 SUBMITTED |
| 400396375 | TOPO MAP |
| 400396376 | LEASE MAP |
| 400396377 | DEVIATED DRILLING PLAN |
| 400396379 | WELL LOCATION PLAT |
| 400396380 | DRILLING PLAN |
| 400396384 | DIRECTIONAL DATA |

Total Attach: 7 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | Operator has been advised that if location is not built prior to 2A expiration, an amended 2A must be submitted and approved prior to construction. No LGD or public comments. Final Review--passed. | 7/10/2013 7:50:25 AM |
| Permit | Per oper. corrected dist. to min. lease to 600'. Corrected lease acres, #17 and dist. to prop. line to agree with 2A. Distance to nearest unit boundary is 1996'. | 7/2/2013 3:02:24 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 680 FEET DEEP. | 6/18/2013 2:54:18 PM |
| Permit | The related form 2A is an old 2A and should not be a related document. | 6/11/2013 9:56:14 AM |
| Permit | Returned to draft: 1) Lease map needs S-T-R. | 3/28/2013 8:30:57 AM |

Total: 5 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------------------|---|
| Structural Practices | The tanks will be surrounded by a containment that is capable of containing 110% of the largest tank during the production phase of the well. |
| Drilling/Completion Operations | The location will be bermed in all areas where a fill slope is present to contain all fluids on the location. |
| Construction | Storm water and erosion control methods will be utilized from the start of construction until stabilization of the site. |

Total: 3 comment(s)