

FORM  
2  
Rev  
08/13

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:  
400459355

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

Date Received:  
09/25/2013

TYPE OF WELL    OIL     GAS     COALBED     OTHER \_\_\_\_\_  
ZONE TYPE      SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES

Refilling   
Sidetrack

Well Name: FEDERAL      Well Number: RGU 442-24-198  
Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLC      COGCC Operator Number: 96850  
Address: 1001 17TH STREET - SUITE #1200  
City: DENVER      State: CO      Zip: 80202  
Contact Name: ANGELA NEIFERT-KRAISER      Phone: (303)606-4398      Fax: (303)629-8268  
Email: ANGELA.NEIFERT-KRAISER@WPXENERGY.COM

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: \_\_\_\_\_

WELL LOCATION INFORMATION

QtrQtr: LOT 10      Sec: 24      Twp: 1S      Rng: 98W      Meridian: 6  
Latitude: 39.947513      Longitude: -108.339349

Footage at Surface: 2156 feet      FNL/FSL      FEL/FWL  
FSL      1700 feet      FEL

Field Name: SULPHUR CREEK      Field Number: 80090  
Ground Elevation: 6595      County: RIO BLANCO

GPS Data:  
Date of Measurement: 05/02/2011      PDOP Reading: 3.2      Instrument Operator's Name: MICHAEL LANGHORNE

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  
2337      FNL      647      FEL      2337      FNL      647      FEL  
Sec: 24      Twp: 1S      Rng: 98W      Sec: 24      Twp: 1S      Rng: 98W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership:  Fee       State       Federal       Indian

The Surface Owner is:  is the mineral owner beneath the location.  
(check all that apply)  is committed to an Oil and Gas Lease.  
 has signed the Oil and Gas Lease.  
 is the applicant.

The Mineral Owner beneath this Oil and Gas Location is:  Fee       State       Federal       Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: Yes

The right to construct the Oil and Gas Location is granted by: oil and gas lease

Surface damage assurance if no agreement is in place: \_\_\_\_\_      Surface Surety ID: \_\_\_\_\_

**LEASE INFORMATION**

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

T1SR98W SEC. 24: LOTS 1-16 AND SEC. 25: LOTS 1-16

Total Acres in Described Lease: 1239 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # COC60733

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 647 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 5280 Feet

Building Unit: 5280 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 2458 Feet

Above Ground Utility: 753 Feet

Railroad: 5280 Feet

Property Line: 5280 Feet

**INSTRUCTIONS:**

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).

- Enter 5280 for distance greater than 1 mile.

- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.

- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

**DESIGNATED SETBACK LOCATION INFORMATION**

Check all that apply. This location is within a:  Buffer Zone  
 Exception Zone  
 Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit

- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.

- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: \_\_\_\_\_

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: \_\_\_\_\_

**SPACING and UNIT INFORMATION**

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 336 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 647 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): RYAN GULCH UNIT Unit Number: 068239X

**SPACING & FORMATIONS COMMENTS**

\_\_\_\_\_

**OBJECTIVE FORMATIONS**

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			

**DRILLING PROGRAM**

Proposed Total Measured Depth: 12885 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 343 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H<sub>2</sub>S gas reasonably expected to be encountered during drilling operations at concentrations greater than

or equal to 100 ppm?   No   (If Yes, attach an H2S Drilling Operations Plan)

Will salt sections be encountered during drilling?   No  

Will salt based (>15,000 ppm Cl) drilling fluids be used?   No  

Will oil based drilling fluids be used?   No  

BOP Equipment Type:  Annular Preventor     Double Ram     Rotating Head     None

### GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule   609  

### DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal:   OFFSITE        Drilling Fluids Disposal Methods:   Recycle/reuse  

Cuttings Disposal:   ONSITE        Cuttings Disposal Method:   Other  

Other Disposal Description:

Spent drilling fluids are treated with a de-watering unit. Separated mud solids are disposed with the drill cuttings at a well pad location, or at an approved disposal trench. Separated water is re-used for drilling, or disposed at a permitted inj. well.

Beneficial reuse or land application plan submitted?   No  

Reuse Facility ID:                    or Document Number:                   

### CASING PROGRAM

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	60	80	0
SURF	14+3/4	9+5/8	32.3	0	3914	1420	3914	0
1ST	8+3/4	4+1/2	11.6	0	12885	1337	12885	7830

Conductor Casing is NOT planned

### DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

### GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- Rule 318A.a. Exception Location (GWA Windows).
- Rule 318A.c. Exception Location (GWA Twinning).

### RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number

**OTHER LOCATION EXCEPTIONS**

Check all that apply:

Rule 318.c. Exception Location from Rule or Spacing Order Number \_\_\_\_\_

Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

**OPERATOR COMMENTS AND SUBMITTAL**

Comments

This application is in a Comprehensive Drilling Plan       No       CDP #: \_\_\_\_\_

Location ID:       335724      

Is this application being submitted with an Oil and Gas Location Assessment application?       Yes      

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: \_\_\_\_\_ Print Name:       ANGELA NEIFERT-KRAISER      

Title:       REGULATORY SPECIALIST       Date:       9/25/2013       Email:       ANGELA.NEIFERT-      

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:       12/27/2013      

Expiration Date:       12/26/2015      

**API NUMBER**  
05 103 12084 00

**Conditions Of Approval**

**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.**

**COA Type**

**Description**

	(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.
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## Best Management Practices

No	BMP/COA Type	Description
1	Planning	<ul style="list-style-type: none"> <li>* Share/consolidate corridors for pipeline ROWs to the maximum extent possible.</li> <li>* 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.</li> <li>* Locate roads outside of drainages where possible and outside of riparian habitat.</li> <li>* Avoid constructing any road segment in the channel of an intermittent or perennial stream</li> <li>* Minimize the number, length, and footprint of oil and gas development roads</li> <li>* Use existing roads where possible</li> <li>* Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors</li> <li>* Combine and share roads to minimize habitat fragmentation</li> <li>* Maximize the use of directional drilling to minimize habitat loss/fragmentation</li> <li>* Maximize use of remote completion/frac operations to minimize traffic</li> <li>* Maximize use of remote telemetry for well monitoring to minimize traffic</li> </ul>
2	Drilling/Completion Operations	<ul style="list-style-type: none"> <li>* Use centralized hydraulic fracturing operations.</li> <li>* 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).</li> <li>* Conduct well completions with drilling operations to limit the number of rig moves and traffic.</li> </ul>
3	Interim Reclamation	<ul style="list-style-type: none"> <li>* Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife</li> <li>* WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas.</li> <li>* Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.</li> <li>* Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.</li> <li>* 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.</li> </ul>

Total: 3 comment(s)

### Applicable Policies and Notices to Operators

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

### Attachment Check List

Att Doc Num	Name
400459355	FORM 2 SUBMITTED
400473016	DIRECTIONAL DATA
400473018	DEVIATED DRILLING PLAN
400473022	WELL LOCATION PLAT
400485585	ACCESS ROAD MAP
400485586	FED. DRILLING PERMIT

Total Attach: 6 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed. No LGD comments.	12/23/2013 6:40:11 AM
Permit	Operator made changes to the Drilling waste Management Program.	10/8/2013 5:05:57 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 3001 FEET DEEP.	9/30/2013 12:34:32 PM
Permit	This form has passed completeness.	9/26/2013 9:18:20 AM

Total: 4 comment(s)