

**APPLICATION FOR PERMIT TO:**

**Drill**       Deepen       Re-enter       Recomplete and Operate

TYPE OF WELL    OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____ ZONE TYPE       SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Refiling <input type="checkbox"/> Sidetrack <input type="checkbox"/>
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Date Received:  
07/16/2014

Well Name: WPX GM      Well Number: 728-34-33-HN1

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: Reed Haddock      Phone: (303)606-4086      Fax: (303)629-8268

Email: reed.haddock@wpxenergy.com

**RECLAMATION FINANCIAL ASSURANCE**  
Plugging and Abandonment Bond Surety ID: 20030107

**WELL LOCATION INFORMATION**

QtrQtr: Lot 11    Sec: 28    Twp: 6S    Rng: 96W    Meridian: 6

Latitude: 39.491414      Longitude: -108.115748

Footage at Surface:      1272 feet      <sup>FNL/FSL</sup> FSL      2053 feet      <sup>FEL/FWL</sup> FWL

Field Name: GRAND VALLEY      Field Number: 31290

Ground Elevation: 5457      County: GARFIELD

GPS Data:  
Date of Measurement: 03/05/2013    PDOP Reading: 2.6    Instrument Operator's Name: J. Kirkpatrick

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

Footage at Top of Prod Zone:	<sup>FNL/FSL</sup>	<sup>FEL/FWL</sup>	Bottom Hole:	<sup>FNL/FSL</sup>	<sup>FEL/FWL</sup>
<u>613</u>	<u>FSL</u>	<u>2003</u>	<u>197</u>	<u>FSL</u>	<u>1961</u>
	<u>FEL</u>			<u>FEL</u>	
Sec: <u>28</u>	Twp: <u>6S</u>	Rng: <u>96W</u>	Sec: <u>33</u>	Twp: <u>6S</u>	Rng: <u>96W</u>

**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:    applicant is owner

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.)

Lease attached.

Total Acres in Described Lease: 33 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # \_\_\_\_\_

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 0 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 2051 Feet

Building Unit: 2161 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 855 Feet

Above Ground Utility: 224 Feet

Railroad: 5280 Feet

Property Line: 254 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: 1314 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 301 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): \_\_\_\_\_ Unit Number: \_\_\_\_\_

## SPACING & FORMATIONS COMMENTS

WPX Energy has a pending COGCC Application in to establish a 1,132.63 acre exploratory drilling unit for horizontal and vertical well development (COGCC Docket # 1404-SP-2054).

Unit Configuration: S.28: Lots 5-13, S2NW4,NE4SW4. S.33:ALL.

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
NIOBRARA	NBRR	547-9	1132	S.28,33

## DRILLING PROGRAM

Proposed Total Measured Depth: 17014 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1314 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 H<sub>2</sub>S 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:     Cuttings trench    

Other Disposal Description:

Spent drlg fluids are treated with a de-watering unit. Separated mud solids are disposed with cuttings. Separated water is re-used for drilling, or disposed at a permitted inj. well.

Beneficial reuse or land application plan submitted?                     

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	24	20	52.7#	0	80	30	80	0
SURF	17+1/2	13+3/8	68#	0	2693	888	2693	0
1ST	13+3/8	9+5/8	47#	0	10015	1244	10015	3768
S.C. 1.1	13+3/8	9+5/8	47#	0	3768	481	3768	1693
2ND	7+7/8	5+1/2	23#	0	17014	640	17014	9015

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 \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 335318

Is this application being submitted with an Oil and Gas Location Assessment application? No

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

Signed: \_\_\_\_\_ Print Name: Reed Haddock

Title: Regulatory Specialist Sta Date: 7/16/2014 Email: reed.haddock@wpxenergy.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: 10/16/2014

Expiration Date: 10/15/2016

**API NUMBER**  
05 045 22525 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.

<u>COA Type</u>	<u>Description</u>
	OFFSET WELL MITIGATION PRESSURE MONITORING OF THE WILLIAMS GM 701-4-HN1 WELL (API #045-21487) SHALL BE CONTINUOUS DURING THE PROPOSED WELL STIMULATION OPERATIONS. OPERATOR SHALL ALSO MONITOR THE WILLIAMS GM 701-4-HN1 BRADENHEAD PRESSURE DURING THE SAME MONITORING PERIOD. OPERATOR SHALL NOTIFY COGCC ENGINEERING STAFF IF ANOMALOUS PRESSURES ARE OBSERVED IN THE WILLIAMS GM 701-4 HN1 WELL DURING THE MONITORING PERIOD.
	(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED. SEE ATTACHED NOTICE.  (2) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS IS REQUIRED, WITH THE FOLLOWING EXCEPTION: ALL FIELD NOTICE REQUIREMENTS SPECIFIED IN THIS NOTICE TO OPERATORS ARE SUPERSEDED BY THE REQUIREMENTS OF THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY (SEE CONDITION OF APPROVAL #1). SEE ATTACHED NOTICE.  (3) PROVIDE CEMENT COVERAGE FROM THE INTERMEDIATE CASING SHOE TO A MINIMUM OF 200' ABOVE TOP OF GAS. VERIFY CEMENT WITH A CEMENT BOND LOG.  (4) The operator's plan to ensure Top of Cement for the production casing string to be a well up into the intermediate casing string is acceptable.

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	WPX will run triple-combo open hole logs in the vertical section of Niobrara wells from KOP to base of surface casing on at least one well per pad location. CBL log will also be run from KOP up to surface. MWD/LWD logs with GR will be run for the lateral portion of the wells. Form 5 Completion Reports will identify wells with open hole logs.

Total: 1 comment(s)

## 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

<b>Att Doc Num</b>	<b>Name</b>
2157797	LEASE MAP
400585565	FORM 2 SUBMITTED
400631142	TOPO MAP
400631144	WELL LOCATION PLAT
400631150	OffsetWellEvaluations Data
400631643	OIL & GAS LEASE
400642790	DEVIATED DRILLING PLAN
400642791	DIRECTIONAL DATA

Total Attach: 8 Files

### General Comments

<b>User Group</b>	<b>Comment</b>	<b>Comment Date</b>
Permit	Oper. submitted lease map. OGLA review of waste management plans complete. No LGD or public comments. Final Review--passed.	9/15/2014 2:13:26 PM
Permit	Added spacing order from July hearing. Added dist. to unit. Corrected dist. to lease to 0'. Corrected qtr/qtr designation. Added open hole logging BMP. Req'd lease map.	9/8/2014 7:19:40 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 120 FEET DEEP.  Evaluated existing offset wells within 1,500 feet of this wellbore. No mitigation required for all but one. See COA regarding the Williams GM 701-4-HN1 well.	7/22/2014 12:19:26 PM
LGD	pass, gdb	7/18/2014 8:50:25 AM
Permit	Passed completeness.	7/16/2014 3:36:33 PM

Total: 5 comment(s)