

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

TYPE OF WELL OIL GAS COALBED OTHER _____ Refilling

ZONE TYPE SINGLE ZONE MULTIPLE ZONES COMMINGLE ZONES Sidetrack

Date Received:
11/03/2014

Well Name: Federal SG Well Number: 531-28

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: _____

WELL LOCATION INFORMATION

QtrQtr: NESE Sec: 28 Twp: 7S Rng: 96W Meridian: 6

Latitude: 39.407522 Longitude: -108.107175

Footage at Surface: 2309 feet FNL/FSL FSL 522 feet FEL/FWL FEL

Field Name: GRAND VALLEY Field Number: 31290

Ground Elevation: 5121 County: GARFIELD

GPS Data:
Date of Measurement: 02/28/2011 PDOP Reading: 1.7 Instrument Operator's Name: Robert Kay

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
<u>1096</u>	FNL	<u>1893</u>	FEL	<u>1096</u>	FNL
					<u>1893</u>
					FEL
Sec: <u>28</u>	Twp: <u>7S</u>	Rng: <u>96W</u>	Sec: <u>28</u>	Twp: <u>7S</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: 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.)

Total Acres in Described Lease: 1308 Described Mineral Lease is: Fee State Federal Indian

Federal or State Lease # COC58673

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 348 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1497 Feet
Building Unit: 1497 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 690 Feet
Above Ground Utility: 1327 Feet
Railroad: 1994 Feet
Property Line: 454 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: 348 Feet

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

Federal or State Unit Name (if appl): _____ Unit Number: _____

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.)
WILLIAMS FORK	WMFK	510-20		

DRILLING PROGRAM

Proposed Total Measured Depth: 6040 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 348 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S 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: Cuttings trench

Other Disposal Description:

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	26	18	48#	0	80	50	80	0
SURF	13+1/2	9+5/8	32.3#	0	1730	446	1730	0
1ST	8+3/4	4+1/2	11.6#	0	6040	747	6040	2652

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

Reason for sidetrack. On Nov 1, 2014, at 20:30, WPX Energy while tripping out of the hole to work a tight spot prior to running surface casing the downhole motor parted resulting in leaving part of the motor and the bit downhole. We were able to retrieve the rest of the BHA. The remaining part of the BHA was ruled problematic to fish and was left downhole. The 500' cement plug was pumped on top of the fish. All surface and bottomhole location will stay the same as per permit.

Details for unplanned sidetrack: While tripping out of the hole and reaming a tight spot prior to running surface casing the downhole motor parted. The total measured depth of the well is 1760'. The conductor was set at 64', is the only previous string in the hole. The fish consists of a PDC bit and part of a downhole motor, approximately 25'. Top of fish is at 1710'. Approximate bottom of fish is at 1735'. The cement plug is 500' long with a top of 1210', total cement volume of 88.5 bbls or 497 cubic feet. Plug cement is 17.0 ppg, 0.99 cuft/sk yield, 502 sacks total. The new KOP will be 1210' MD.

The SHL and BHL are not changing.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 334978

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: 11/3/2014 Email: reed.haddock@wpxenergy.com

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: _____ Director of COGCC _____ Date: _____

Expiration Date: _____

API NUMBER

05 045 21952 01

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.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	WPX will run triple-combo open hole logs from well TD up to base of surface casing on one of the first wells drilled on a multi-well pad. Remaining wells on the pad will be logged with either cased hole pulsed neutron or triple-combo open hole. Every well will also have a CBL log from well TD up through well surface. Form 5 Completion Reports will identify wells on the pad with triple-combo open hole logs.

Total: 1 comment(s)

Attachment Check List

Att Doc Num	Name
400722433	FORM 2 SUBMITTED
400722480	DEVIATED DRILLING PLAN
400722691	OTHER
400722692	WELLBORE DIAGRAM
400722693	DIRECTIONAL DATA

Total Attach: 5 Files

General Comments

User Group	Comment	Comment Date
Permit	Back to draft for the following: A wellbore diagram including all casing & plugs & KOP. The deviated drilling plan (you had this but the data sheet is missing) Then the Engineers email converted to a PDF and attached.	11/3/2014 10:46:54 AM
Permit	Back to draft at opr request to correct lat/longs.	11/3/2014 10:21:40 AM

Total: 2 comment(s)

