

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:  
400660466

APPLICATION FOR PERMIT TO:

Drill       Deepen       Re-enter       Recomplete and Operate

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

Refiling   
Sidetrack

Date Received:  
08/25/2014

Well Name: Federal GM      Well Number: 312-35  
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: NWSW      Sec: 35      Twp: 6S      Rng: 96W      Meridian: 6  
Latitude: 39.478889      Longitude: -108.082478

Footage at Surface: 2022 feet      FNL/FSL      FEL/FWL  
FSL      766 feet      FWL

Field Name: GRAND VALLEY      Field Number: 31290  
Ground Elevation: 5445      County: GARFIELD

GPS Data:  
Date of Measurement: 07/29/2014    PDOP Reading: 1.4    Instrument Operator's Name: J. Kirkpatrick

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  
1614    FNL    526    FWL      1614    FNL    526    FWL  
Sec: 35    Twp: 6S    Rng: 96W      Sec: 35    Twp: 6S    Rng: 96W

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.)

Lease attached.

Total Acres in Described Lease: 1406 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # COC62163

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 526 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1885 Feet

Building Unit: 1885 Feet

High Occupancy Building Unit: 5280 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 1336 Feet

Above Ground Utility: 904 Feet

Railroad: 2712 Feet

Property Line: 766 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: 1020 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 526 Feet (Enter 5280 for distance greater than 1 mile.)

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

## SPACING & FORMATIONS COMMENTS

CA COC055363, MVRD, 321 acres, N2

## 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           | 479-12                  | 320                           | N2                                   |

## DRILLING PROGRAM

Proposed Total Measured Depth: 7188 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 1020 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: Other

Other Disposal Description:

Cuttings Management Area

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             | 60            | 25        | 60      | 0       |
| SURF        | 13+1/2       | 9+5/8          | 32.3# | 0             | 1153          | 304       | 1153    | 0       |
| 1ST         | 8+3/4        | 4+1/2          | 11.6# | 0             | 7188          | 771       | 7188    | 3782    |

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: 335235

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: Reed Haddock

Title: Regulatory Specialist Sta Date: 8/25/2014 Email: reed.haddock@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: 11/7/2014

Expiration Date: 11/06/2016

**API NUMBER**  
05 045 22591 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>   |
|-----------------|--|
|                 | <p>1)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice.</p> <p>2)Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, 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.</p> <p>3)Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesa Verde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.</p> |

### Best Management Practices

| <u>No 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)

## 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

| <u>Att Doc Num</u> | <u>Name</u>            |
|--------------------|------------------------|
| 400660466          | FORM 2 SUBMITTED       |
| 400668984          | DEVIATED DRILLING PLAN |
| 400668986          | DIRECTIONAL DATA       |
| 400672109          | OIL & GAS LEASE        |
| 400672111          | TOPO MAP               |
| 400672128          | WELL LOCATION PLAT     |
| 400672129          | FED. DRILLING PERMIT   |

Total Attach: 7 Files

## General Comments

| <u>User Group</u> | <u>Comment</u>   | <u>Comment Date</u>     |
|-------------------|--|-------------------------|
| Permit            | Corrected distance to nearest lease line as per opr.<br>Final review complete.   | 11/5/2014<br>1:58:19 PM |
| Engineer          | Evaluated existing offset wells within 1,500 feet of this wellbore. Offset wells target the MVRD formation. No mitigation required.<br>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.<br>The deepest water well within 1-mile is set at an elevation of 5205' above sea level. | 9/2/2014<br>11:41:35 AM |
| LGD               | pass-GDB   | 9/2/2014<br>10:02:16 AM |
| Permit            | Passed Completeness  | 8/28/2014<br>8:58:34 AM |

Total: 4 comment(s)