

**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"/>	Refilling <input checked="" type="checkbox"/> Sidetrack <input type="checkbox"/>
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Date Received:  
01/08/2015

Well Name: OXY      Well Number: 28-19D

Name of Operator: LINN OPERATING INC      COGCC Operator Number: 10516

Address: 1999 BROADWAY SUITE 3700

City: DENVER      State: CO      Zip: 80202

Contact Name: Krista Wilson      Phone: (435)722-1325      Fax: (435)722-1321

Email: kwilson@linnenergy.com

**RECLAMATION FINANCIAL ASSURANCE**  
Plugging and Abandonment Bond Surety ID: 20140058

**WELL LOCATION INFORMATION**

QtrQtr: SENW      Sec: 28      Twp: 6S      Rng: 97W      Meridian: 6

Latitude: 39.495758      Longitude: -108.226228

Footage at Surface:      1999 feet      FNL      2229 feet      FWL

Field Name: GRAND VALLEY      Field Number: 31290

Ground Elevation: 8293      County: GARFIELD

GPS Data:  
Date of Measurement: 08/11/2009    PDOP Reading: 3.2    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>1790</u>	<u>FNL</u>	<u>2043</u>	<u>1790</u>	<u>FNL</u>	<u>2043</u>
	<u>FNL</u>	<u>FWL</u>		<u>FNL</u>	<u>FWL</u>
Sec: <u>28</u>	Twp: <u>6S</u>	Rng: <u>97W</u>	Sec: <u>28</u>	Twp: <u>6S</u>	Rng: <u>97W</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: Surface Use Agreement

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.)

See lease map in original file.

Total Acres in Described Lease: 5165 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: 2043 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: 5280 Feet

Above Ground Utility: 5280 Feet

Railroad: 5280 Feet

Property Line: 1371 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: 250 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 856 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	510-18	320	Sec 28 N/2

**DRILLING PROGRAM**

Proposed Total Measured Depth: 8757 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 250 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: ONSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: ONSITE Cuttings Disposal Method: Other

Other Disposal Description:

See BMP cutting management

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	30	20	55	0	90	100	90	0
SURF	16	9+5/8	36	0	2300	1000	2300	0
1ST	8+3/4	4+1/2	11.6	0	8757	600	5757	

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 I certify that there has been no changes on land use, lease description. The pad has not been built. The pit has not been constructed. The location will not require surface disturbance of the pad. The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii). This location is not in a wildlife sensitive habitat area. No rig on site. The production cement top will be 200' above the top of gas. Oxy owns surface and Chevron owns minerals.

This application is in a Comprehensive Drilling Plan \_\_\_\_\_ CDP #: \_\_\_\_\_

Location ID: 416634

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: Krista Wilson

Title: Sr Reg. & Permitting Date: 1/8/2015 Email: kwilson@linenergy.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: 2/6/2015

Expiration Date: 02/05/2017

<b>API NUMBER</b> 05 045 19333 00
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### 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>
	1)Operator shall comply with the most current revision of the Northwest Colorado Notification Policy. See attached notice.  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.  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.  4)Comply with all provisions of the June 12, 2008 Notice to Operators drilling wells within ¼ mile of the rim of the Roan Plateau in Garfield County – Pit Design, Construction and Monitoring Requirements. See attached notice.  5)The nearby hillside(s) must be monitored for any daylighting drilling fluids throughout the drilling of the surface casing interval. COGCC engineering staff must be notified as soon as practicable if daylighting is observed.

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	Cuttings Management: During drilling, LINN will keep the drill cuttings segregated on the well pad. Cuttings will not be in contact with fill material or topsoil on location. After drilling and completion operations have been completed, soil amendments such as phosphorus and nitrogen will be utilized to expedite the amendment process (if necessary). On pads where a drilling pit is present, cuttings will be used in the backfilling of those pits. On pads where no drilling pit is present due to closed-loop drilling, amended cuttings that meet the Table 910-1 levels are spread on location with topsoil and seeded as part of reclamation activities.
2	Drilling/Completion Operations	Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.

Total: 2 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.
Pit Design, Construction and Monitoring Requirements Within 3/4 mile of the Rim of the Roan Plateau.

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400767028	FORM 2 SUBMITTED

Total Attach: 1 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	2/5/2015 8:06:29 AM
Engineer	Emailed operator regarding surface casing depth. Put form on hold pending response. Per operator, changed surface casing setting depth to 2300'. Operator to adjust cement quantity as needed.	1/20/2015 1:35:19 PM
Engineer	Offset water well check: There are no permitted water wells within 1 mile of this proposed surface hole location. Evaluated existing offset wells within 1,500 feet of this wellbore. No mitigation required.	1/15/2015 9:13:12 AM
Permit	Corrected distance to nearest unit boundary and added Sec 28 to unit configuration as per opr. Added comment to see documents in original file in lease comments. Added plugging bond. Ready to pass pending public comment 2/2/15.	1/13/2015 3:09:59 PM
Permit	Added surety ID. Passed completeness.	1/12/2015 12:03:59 PM

Total: 5 comment(s)