

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:

400761620

APPLICATION FOR PERMIT TO:

Drill  Deepen  Re-enter  Recomplete and Operate

Date Received:

02/05/2015

TYPE OF WELL OIL  GAS  COALBED  OTHER \_\_\_\_\_

Refilling

ZONE TYPE SINGLE ZONE  MULTIPLE ZONES  COMMINGLE ZONES

Sidetrack

Well Name: PA Well Number: 732-21-32-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: \_\_\_\_\_

WELL LOCATION INFORMATION

QtrQtr: SESW Sec: 32 Twp: 6S Rng: 95W Meridian: 6

Latitude: 39.474960 Longitude: -108.023377

Footage at Surface: 396 feet FNL/FSL FSL 2185 feet FEL/FWL FWL

Field Name: PARACHUTE Field Number: 67350

Ground Elevation: 5141 County: GARFIELD

GPS Data:

Date of Measurement: 04/02/2013 PDOP Reading: 2.7 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  
159 FSL 2109 FWL 248 FNL 1991 FWL  
Sec: 32 Twp: 6S Rng: 95W Sec: 32 Twp: 6S Rng: 95W

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: No

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.)

WPX has a JOA in place with Exxon for the deep mineral rights. We do have a signed lease in place with SO but that is on the shallow minerals rights. The right to construct is the SUA/Federal Lease. Both documents are attached to this APD.

Total Acres in Described Lease: 2110 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # COC62162

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 2167 Feet

**CULTURAL DISTANCE INFORMATION**

Distance to nearest:

Building: 3484 Feet  
 Building Unit: 4274 Feet  
 High Occupancy Building Unit: 5280 Feet  
 Designated Outside Activity Area: 5280 Feet  
 Public Road: 601 Feet  
 Above Ground Utility: 490 Feet  
 Railroad: 986 Feet  
 Property Line: 547 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: 330 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**

Section 31 and Section 32, T6S, R95W and Section 5 and Section 6, T7S, R95W

**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	547-13	2500	Sec 32 All

**DRILLING PROGRAM**

Proposed Total Measured Depth: 15917 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 330 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? Yes  
 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	24	20	52.7	0	80	30	80	0
SURF	17+1/2	13+3/8	68	0	2108	699	2108	0
1ST	12+1/4	9+5/8	47	0	9830	1261	9830	3500
S.C. 1.1	12+1/4	9+5/8	47		3500	552	3500	1108
2ND	7+7/8	5+1/2	23	0	15917	570	15917	8830

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 End of Completions is 301' FNL, 1993' FWL, Section 32, T6S, R95W.  
Attached find the "Summary" and "WPX's Horizontal Synthetic Based Mud Best Practices" document.  
We have no wellbores within 150' of the proposed horizontal laterals.

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

Location ID: 323949

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: 2/5/2015 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: 4/15/2015

Expiration Date: 04/14/2017

<b>API NUMBER</b>
05 045 22842 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

	<p>(1) Operator shall comply with the most current revision of the Northwest 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 that 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 intermediate casing shoe (9+5/8" 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 intermediate casing cement coverage with a cement bond log.</p>
--	---

## Best Management Practices

### No BMP/COA Type

### Description

1	Planning	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

### Att Doc Num

### Name

400761620	FORM 2 SUBMITTED
400765632	SURFACE AGRMT/SURETY
400765633	WELL LOCATION PLAT
400767860	TOPO MAP
400767927	DEVIATED DRILLING PLAN
400767928	DIRECTIONAL DATA
400782982	OIL & GAS LEASE
400782983	OTHER
400782984	OffsetWellEvaluations Data
400787282	FED. DRILLING PERMIT

Total Attach: 10 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Agency	Corrected distance to nearest wellbore permitted and penetrating as measured to the TOPZ of this well bore to the TOPZ of PA 732-24-5-HN1 from 1221' to 330' as per opr. Added Sec 32 to Unit description and in opr comments as per opr. Corrected Surface & Minerals tab to reflect not committed to a lease or signed the lease & that Right to construct is SUA. Added opr comments per opr. Final review complete.	4/7/2015 2:15:13 PM
Permit	Requested information on right to construct. It appears that the lease covers the surface. Also asked about distances to nearest wellbores.	4/3/2015 3:12:01 PM
Permit	There are no offset wells within 150'.	2/10/2015 2:57:15 PM
Engineer	Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information was used in addition to locally-available geophysical logs and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 155 feet. The proposed surface casing setting depth is more than 50 feet below the base of the aquifer in which water wells are screened within one mile.  Evaluated existing offset oil and gas wells within 1,500 feet of this wellbore. No mitigation required.	2/10/2015 12:54:25 PM
Permit	Passed Completeness	2/9/2015 8:52:01 AM

Total: 5 comment(s)