

**APPLICATION FOR PERMIT TO:**

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

Date Received:

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

ZONE TYPE    SINGLE ZONE     MULTIPLE ZONES     COMMINGLE ZONES     Sidetrack

Well Name: Sheep Mountain Unit    Well Number: 5-9-A

Name of Operator: OXY USA INC    COGCC Operator Number: 66561

Address: 760 HORIZON DR #101

City: GRAND JUNCTION    State: CO    Zip: 81506

Contact Name: Joan Proulx    Phone: (970)263-3641    Fax: (970)263-3694

Email: joan\_proulx@oxy.com

**RECLAMATION FINANCIAL ASSURANCE**

Plugging and Abandonment Bond Surety ID: 20060139

**WELL LOCATION INFORMATION**

QtrQtr: NWNE    Sec: 9    Twp: 27S    Rng: 70W    Meridian: 6

Latitude: 37.720390    Longitude: -105.223000

Footage at Surface: 625 feet    FNL/FSL    FNL    2009 feet    FEL/FWL    FEL

Field Name: SHEEP MOUNTAIN    Field Number: 77230

Ground Elevation: 8153    County: HUERFANO

GPS Data:

Date of Measurement: 06/24/2011    PDOP Reading: 1.2    Instrument Operator's Name: J R Stark

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

FNL

Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_    Sec: \_\_\_\_\_ Twp: \_\_\_\_\_ Rng: \_\_\_\_\_

**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.)

NE1/4, Section 9, Township 27S, Range 70W, 6 PM

Total Acres in Described Lease: 1152 Described Mineral Lease is:  Fee  State  Federal  Indian

Federal or State Lease # COC004399

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 196 Feet

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 325 Feet  
Building Unit: 4064 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 4117 Feet  
Above Ground Utility: 3942 Feet  
Railroad: 5280 Feet  
Property Line: 196 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: 834 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 3876 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): UA-Sheep Mounta Unit Number: PA 47683A

## SPACING & FORMATIONS COMMENTS

No COGCC spacing orders for this location.

## OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
DAKOTA	DKTA			

## DRILLING PROGRAM

Proposed Total Measured Depth: 4210 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 834 Feet (Including plugged wells)

Will a closed-loop drilling system be used? No

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: \_\_\_\_\_ Drilling Fluids Disposal Methods: \_\_\_\_\_  
 Cuttings Disposal: \_\_\_\_\_ Cuttings Disposal Method: \_\_\_\_\_  
 Other Disposal Description: \_\_\_\_\_

There will be no additional drilling activities on this well for the recompletion; no drilling waste management program is needed.

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	22+0/0	16+0/0	65	0	120	200	120	0
SURF	14+3/4	10+3/4	45.5	0	1000	785	1000	0
1ST	9+5/8	7+5/8	26.4	0	4210	1300	4210	

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

OXY is proposing to recomplete the Dakota formation of the Sheep Mountain Unit 5-9-A well, which is currently shut in. The 5-9-A well was originally spud on 04/07/1982.

OXY will set a packer at 3965' with 38 sacks of cement to isolate the Entrada formation. The proposed perfs in the Dakota formation will be from 3375' – 3620'.

There will be no additional surface disturbance to the pad.

Per my conversation with Arthur Koepsell on 10/14/2014, no baseline water sampling is required on a re-entry/recompletion procedure.

There are currently three active location numbers for the wells on this pad; they are 324499, 334553 and 333353. OXY requests that the location numbers 324499 and 333353 be deleted, and that location number 334553 be the sole location number for the wells.

There are five offset wells to the 5-9-A. The well name and tops of cement are:

4-4-P Surface; with 23% excess to surface  
3-4-O Unknown  
7-9 TOC 1865'  
2-9-H TOC 2110'  
6-9-B TOC 2010'

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

Location ID: 333353

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: Joan Proulx

Title: Regulatory Date: \_\_\_\_\_ Email: joan\_proulx@oxy.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**

05 055 06073 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.**

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Wildlife	<p>Wildlife and Domestic Animals Policy</p> <ul style="list-style-type: none"> <li>• All firearms and hunting paraphernalia are strictly prohibited.</li> <li>• Employees, contractors, subcontractors, or visitors will not hunt, fish, trap, trade, feed, or harass animals or keep wildlife in captivity.</li> <li>• Employees, contractors, subcontractors or visitors shall not bring domestic animals to Oxy property.</li> <li>• All employees, contractors, subcontractors, or visitors shall comply with Colorado Parks and Wildlife, and U.S. Fish and Wildlife rules and regulations pertaining to wildlife.</li> <li>• All employees and visitors shall attend Oxy's Visitor Orientation presentation which includes training for Oxy's Wildlife and Domestic Animals policy.</li> <li>• Contractors and subcontractors shall read Oxy's Contractor, Health, Environment, and Safety Expectations Handbook, which contains Oxy's wildlife policies. After reading the handbook, all contractors and subcontractors shall sign, date, and return the last sheet of the handbook prior to coming on location.</li> <li>• All employees, contractors, subcontractors, or visitors shall comply with the following bear specific guidelines: <ul style="list-style-type: none"> <li>o Initiate a food and waste/refuse management program that uses bear-proof food storage containers and trash receptacles, including but not limited to all permanent facilities, drilling locations, temp housing facilities, completions and workover locations.</li> <li>o Food and food waste located at temporary job sites shall be kept in the vehicle and only disposed of in bear-proof containers.</li> <li>o Report bear conflicts immediately to Oxy HES and/or Regulatory Departments so that it may be reported to CPW.</li> </ul> </li> </ul>

Total: 1 comment(s)

### Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400845324	OTHER
400845326	SURFACE OWNER CONSENT
400845403	OTHER

Total Attach: 3 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)