



### 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.)

T7S-R93W  
SEC. 7: LOTS 1 (40.27 NW/4NW/4), 2 (40.21 SW/4NW/4), 3 (40.15 NW/4SW/4), 4 (40.09 SW/4SW/4), E/2W/2  
T7S-R94W  
SEC. 12 LOTS 1 (37.02 NE/4NE/4), 2 (39.63 NW/4NE/4), 5 (37.56 SE/4NE/4), 6 (37.98 NE/4SE/4), SW/4NE/4, NW/4SE/4

Total Acres in Described Lease: 553 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: 904 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: 3434 Feet  
Above Ground Utility: 2419 Feet  
Railroad: 5280 Feet  
Property Line: 799 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 proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 379 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

CA - COC57580 - All of Sec. 7, T7S-R93W, Top MVRD to base of MVRD

### 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           | 139-76                  |                               |                                      |

### DRILLING PROGRAM

Proposed Total Measured Depth: 9421 Feet

Distance from proposed wellbore to nearest existing or permitted wellbore belonging to another operator:

2816 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: [X] Annular Preventor [X] Double Ram [X] 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:

[Empty text box for Other Disposal Description]

Beneficial reuse or land application plan submitted?

Reuse Facility ID: or Document Number:

CASING PROGRAM

Table with 9 columns: Casing Type, Size of Hole, Size of Casing, Wt/Ft, Csg/Liner Top, Setting Depth, Sacks Cmt, Cmt Btm, Cmt Top. Rows include CONDUCTOR, SURF, and 1ST.

[ ] 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       No       CDP #: \_\_\_\_\_

Location ID:       323942      

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:       Vicki Schoeber      

Title:       Regulatory Specialist       Date:       3/3/2016       Email:       vicki.schoeber@wpenergy.co      

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:       4/29/2016      

Expiration Date:       04/28/2018      

**API NUMBER**  
05 045 23132 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

(1) Operator shall comply with the most current revision of the Northwest Notification Policy.

(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).

(3) Operator shall comply with the most current revision of the Mamm Creek 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).

(4) Operator shall comply with the Notice to Operators Drilling Wells in the Buzzard, Mamm Creek, and Rulison fields, Garfield County and Mesa County – Procedures and Submittal Requirements for Compliance with COGCC Order Nos. 1-107, 139-56, 191-22, and 369-2 (July 8, 2010).

(5) Operator shall provide cement coverage from the production casing shoe (4+1/2" first string) to a minimum of 500' above the Lower Wasatch (as defined by COGCC in the report "Casing and Cement Standards for Geologic Isolation Piceance Basin Bradenhead Monitoring Area and Nearby Fields," dated April 18, 2016, COGCC Document No. 2056199, Appendix A Field Scout Cards and Annotated Type Logs) to provide isolation of all Mesaverde Group and underlying formations, if penetrated, the Ohio Creek Formation, and the lower portion of the Wasatch Formation. Verify production casing cement coverage with a cement bond log.

## Best Management Practices

| No | BMP/COA Type                   | Description  |
|----|--------------------------------|--|
| 1  | Planning                       | <ul style="list-style-type: none"> <li>* Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas.</li> <li>* Locate roads outside of drainages where possible and outside of riparian habitat.</li> <li>* Minimize the number, length, and footprint of oil and gas development roads</li> <li>* Use existing roads where possible</li> <li>* Combine and share roads to minimize habitat fragmentation</li> <li>* Maximize the use of directional drilling to minimize habitat loss/fragmentation</li> <li>* Maximize use of long-term centralized tank batteries to minimize traffic</li> <li>* Maximize use of remote completion/frac operations to minimize traffic</li> <li>* Maximize use of remote telemetry for well monitoring to minimize traffic</li> </ul> |
| 2  | Drilling/Completion Operations | 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.  |
| 3  | Drilling/Completion Operations | <ul style="list-style-type: none"> <li>* Use centralized hydraulic fracturing operations.</li> <li>* Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures).</li> <li>* Conduct well completions with drilling operations to limit the number of rig moves and traffic.</li> </ul>  |
| 4  | Interim Reclamation            | <ul style="list-style-type: none"> <li>* WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas.</li> <li>* Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.</li> <li>* Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.</li> </ul>   |

Total: 4 comment(s)

## Applicable Policies and Notices to Operators

|   |
|---|
| Policy  |
| Mamm Creek Field Area Notice to Operators.<br><a href="http://cogcc.state.co.us/documents/reg/Policies/Mamm%20Creek%20Drilling.pdf">http://cogcc.state.co.us/documents/reg/Policies/Mamm%20Creek%20Drilling.pdf</a>   |
| Piceance Rulison Field - Notice to Operators.<br><a href="http://cogcc.state.co.us/documents/reg/Policies/NoticeToOp-20060623-2.pdf">http://cogcc.state.co.us/documents/reg/Policies/NoticeToOp-20060623-2.pdf</a>  |
| NW Colorado Notification Policy.<br><a href="http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf">http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf</a>   |
| Bradenhead Pressure Reporting-Garfield County (Mamm Creek & Rulison Fields) Mesa County (Buzzard Field).<br><a href="http://cogcc.state.co.us/documents/reg/Policies/NTO_07082010.pdf">http://cogcc.state.co.us/documents/reg/Policies/NTO_07082010.pdf</a> |
| Notice Concerning Operating Requirements for Wildlife Protection.<br><a href="http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf">http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf</a>                                  |

## Attachment Check List

| <b>Att Doc Num</b> | <b>Name</b>                   |
|--------------------|-------------------------------|
| 2168092            | DEVIATED DRILLING PLAN        |
| 2168093            | DEVIATED DRILLING PLAN - PLOT |
| 2168094            | WELL LOCATION PLAT            |
| 2168095            | CORRESPONDENCE                |
| 400999126          | FORM 2 SUBMITTED              |
| 400999163          | ACCESS ROAD MAP               |
| 400999166          | SURFACE AGRMT/SURETY          |
| 401031714          | DIRECTIONAL DATA              |

Total Attach: 8 Files

### General Comments

| <b>User Group</b> | <b>Comment</b>   | <b>Comment Date</b>      |
|-------------------|--|--------------------------|
| Permit            | Final review complete.   | 4/27/2016<br>1:26:24 PM  |
| Permit            | Engineer re-review complete.<br>Ready to pass pending OGLA approval of 2A.   | 4/21/2016<br>3:34:48 PM  |
| Permit            | Please see correspondence attachment regarding all changes to the form as result of operator changing location of wells and adding more well to the pad.<br>New attachments rec'd and attached: Well Location plat, Deviated Drilling Plans (2); Directional Data, and correspondence relating changes to make to form.<br>Corrected right to construct from SUA to lease.<br>Corrected SHL lat/long to match new well location plat.<br>Rounded up the GR elevation from 7337.8 to 7338.<br>Engineer needs to review again. | 4/18/2016<br>2:47:04 PM  |
| Permit            | Requested to add the following statement to logging BMP: The Form 5, Completion Report, for each well on the pad will list all logs run and have those logs attached.<br>Also questioning right to construct.  | 3/24/2016<br>1:14:08 PM  |
| Engineer          | Evaluated existing offset oil and gas wells within 1,500 feet of this wellbore. No mitigation required.<br><br>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 127 feet.                                    | 3/17/2016<br>12:28:42 PM |
| Permit            | Passed completeness.   | 3/10/2016<br>12:31:53 PM |
| Permit            | Returned to draft: TMD on Drilling tab and csg set depth do not match TMD on deviated drilling plan and directional data.  | 3/9/2016<br>10:47:18 AM  |
| Permit            | Returned to draft per operator.  | 3/7/2016 8:43:09<br>AM   |

Total: 8 comment(s)