

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:

401019295

#### APPLICATION FOR PERMIT TO:

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

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

Refilling ☒

ZONE TYPE SINGLE ZONE ☐ MULTIPLE ZONES ☒ COMMINGLE ZONES ☒

Sidetrack ☐

Date Received:

04/07/2016

Well Name: FEDERAL

Well Number: RGU 332-8-298

Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLC

COGCC Operator Number: 96850

Address: PO BOX 370

City: PARACHUTE

State: CO

Zip: 81635

Contact Name: VICKI SCHOEBER

Phone: (970)263-2721

Fax: ( )

Email: VICKI.SCHOEBER@WPXENERGY.COM

#### RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: \_\_\_\_\_

#### WELL LOCATION INFORMATION

QtrQtr: NENE Sec: 8 Twp: 2S Rng: 98W Meridian: 6

Latitude: 39.895541

Longitude: -108.408287

Footage at Surface: 1164 feet FNL/FSL FNL 687 feet FEL/FWL FEL

Field Name: SULPHUR CREEK

Field Number: 80090

Ground Elevation: 6751

County: RIO BLANCO

GPS Data:

Date of Measurement: 03/14/2013

PDOP Reading: 1.9

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

1883 FNL 1988 FEL 1883 FNL 1988 FEL  
Sec: 8 Twp: 2S Rng: 98W Sec: 8 Twp: 2S Rng: 98W

#### 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.)

T2S R98W  
SEC. 7: LOTS 1 (40.09, NW/4NW/4), 2 (40.11, SW/4NW/4), 3 (40.13, NW/4SW/4), 4 (40.16, SW/4SW/4), E/2W/2, E/2  
SEC. 8: ALL

Total Acres in Described Lease: 1280 Described Mineral Lease is: ☐ Fee ☐ State ☒ Federal ☐ Indian

Federal or State Lease # COC60739

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 1883 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: 498 Feet  
Above Ground Utility: 5280 Feet  
Railroad: 5280 Feet  
Property Line: 2685 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: 1295 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 3253 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): RYAN GULCH UNIT Unit Number: COC68239X

## 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.)
ILES	ILES			
WILLIAMS FORK	WMFK			

## DRILLING PROGRAM

Proposed Total Measured Depth: 10676 Feet

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

4715 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:

Spent drilling fluids are treated with a de-watering unit. Separated mud solids are disposed with the drill cuttings at a well pad location, or at an approved disposal trench. Separated water is re-used for drilling, or disposed at a permitted inj. well.

Beneficial reuse or land application plan submitted? No

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	18	48	0	80	50	80	0
SURF	14+3/4	9+5/8	36	0	3226	1163	3226	0
1ST	8+3/4	4+1/2	11.6	0	10676	1135	10676	6061

☐ 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 permit refile is to allow for changes in the WPX Energy Rocky Mountain LLC drilling schedule. No changes have been made to the surface hole location, bottomhole location, lease description or surface use since the original permit was issued.

This application is in a Comprehensive Drilling Plan No CDP #: \_\_\_\_\_

Location ID: 316519

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: Vicki Schoeber

Title: Regulatory Specialist Date: 4/7/2016 Email: vicki.schoeber@wpxenergy.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:  Director of COGCC Date: 5/4/2016

Expiration Date: 05/03/2018

### API NUMBER

05 103 12110 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

	Approval of this refile APD does not provide relief from compliance with the COGCC Reclamation Rules.
	(1) Operator shall comply with the most current revision of the Northwest Notification Policy. See attached notice.  (2) 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.

## Best Management Practices

No	BMP/COA Type	Description
1	Planning	<ul style="list-style-type: none"> <li>* Share/consolidate corridors for pipeline ROWs to the maximum extent possible.</li> <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 utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors</li> <li>* Combine and share roads to minimize habitat fragmentation</li> <li>* Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development</li> <li>* Maximize the use of directional drilling to minimize habitat loss/fragmentation</li> <li>* Maximize use of remote telemetry for well monitoring to minimize traffic</li> </ul>
2	Drilling/Completion Operations	<ul style="list-style-type: none"> <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> </ul>
3	Drilling/Completion Operations	<ul style="list-style-type: none"> <li>* 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.</li> </ul>
4	Interim Reclamation	<ul style="list-style-type: none"> <li>* Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements</li> <li>* Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife</li> <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
NW Colorado Notification Policy. <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>
Notice Concerning Operating Requirements for Wildlife Protection. <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

Att Doc Num	Name
401019295	FORM 2 SUBMITTED

Total Attach: 1 Files

### General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	5/2/2016 2:39:41 PM
Permit	The pad has been built and the 2A has not expired. Ready to pass.	4/28/2016 12:03:43 PM
Engineer	Operator will submit a sundry with conductor setting information. Offset wells target the Mesaverde. No mitigation required. Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. All permitted water wells within the search radius show zero for reported depths. Depths to formation tops in offset oil and gas wells, locally-available geophysical logs, and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. Geologic prognosis shows the proposed surface casing covers the entire Green River formation.	4/13/2016 8:23:24 AM
Permit	Passed completeness.	4/8/2016 3:43:06 PM

Total: 4 comment(s)