

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE COMMINGLE

Refiling
Sidetrack

3. Name of Operator: WPX ENERGY ROCKY MOUNTAIN LLC 4. COGCC Operator Number: 96850
5. Address: 1001 17TH STREET - SUITE #1200
City: DENVER State: CO Zip: 80202
6. Contact Name: Howard Harris Phone: (303)606-4086 Fax: (303)629-8268
Email: howard.harris@williams.com
7. Well Name: Duggan Well Number: RWF 413-29
8. Unit Name (if appl): _____ Unit Number: _____
9. Proposed Total Measured Depth: 8094

WELL LOCATION INFORMATION

10. QtrQtr: Lot 5 Sec: 29 Twp: 6S Rng: 94W Meridian: 6
Latitude: 39.490188 Longitude: -107.918661
Footage at Surface: 572 feet FNL/FSL 585 feet FEL/FWL FWL
11. Field Name: Rulison Field Number: 75400
12. Ground Elevation: 5415 13. County: GARFIELD

14. GPS Data:
Date of Measurement: 05/30/2008 PDOP Reading: 1.8 Instrument Operator's Name: J. Kirkpatrick

15. 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 _____
1811 FSL 696 FWL 1811 FSL 696 FWL
Sec: 29 Twp: 6S Rng: 94W Sec: 29 Twp: 6S Rng: 94W

16. Is location in a high density area? (Rule 603b)? Yes No
17. Distance to the nearest building, public road, above ground utility or railroad: 470 ft
18. Distance to nearest property line: 284 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 321 ft

LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Williams Fork	WMFK	479-14	320	S/2

21. Mineral Ownership: Fee State Federal Indian Lease #: _____
22. Surface Ownership: Fee State Federal Indian
23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: _____
23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No
23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

See Attached

25. Distance to Nearest Mineral Lease Line: 453 ft 26. Total Acres in Lease: 10031

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: Land Farming Land Spreading Disposal Facility Other: Re-Use, Evap & Backfill

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	24	18	48	0	40	50	40	0
SURF	13+1/2	9+5/8	32.3	0	1,123	296	1,123	0
1ST	8+3/4	4+1/2	11.6	0	8,094	933	8,094	4,226

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments Top of production casing will be approx 200 feet above the top of Mesaverde. Fee minerals and Fee surface. We are permitting 13 wells at this time to be drilled from this pad. Closed loop mud system will be used. Surface Use Agreement attached to form 2A.

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Howard Harris

Title: Sr. Regulatory Specialist Date: 6/29/2012 Email: howard.harris@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: 8/3/2012

API NUMBER **05 045 21657 00** Permit Number: _____ Expiration Date: 8/2/2014

CONDITIONS OF APPROVAL, IF ANY:

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.

THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 290 FEET DEEP.

TOP OF CEMENT ON PRODUCTION CASING MUST BE AT LEAST 200' ABOVE THE MESA VERDE.

ADHERENCE(S) TO THE FOLLOWING NOTICE TO OPERATORS APPLIES:

NW AREA NOTIFICATION PROCEDURES
 GARFIELD COUNTY
 GARFIELD & MESA COUNTY BRHTA

Attachment Check List

Att Doc Num	Name
400285737	FORM 2 SUBMITTED
400285783	DIRECTIONAL DATA
400295700	DEVIATED DRILLING PLAN
400295701	WELL LOCATION PLAT
400295702	OIL & GAS LEASE

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed.	3/3/2012 2:55:56 PM
Permit	Deleted "fee pooled" from unit designation.	7/27/2012 10:12:05 AM
LGD	Passed DB	7/9/2012 10:24:47 AM
Permit	Mineral ownership questions answered per operators email. This form has passed completeness.	7/3/2012 8:12:09 AM
Permit	Returned to draft for clarification on mineral ownership	7/3/2012 7:49:42 AM
Permit	Returned to draft •Surface owner is neither mineral owner nor signed to a lease per operator. Please correct this •No SUA attached	6/29/2012 11:54:52 AM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<ul style="list-style-type: none">• Use centralized hydraulic fracturing operations.• 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).• Conduct well completions with drilling operations to limit the number of rig moves and traffic.
Planning	<ul style="list-style-type: none">• Share/consolidate corridors for pipeline ROWs to the maximum extent possible.• 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.• Minimize newly planned activities and operations within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river.• Avoid new surface disturbance and placing new facilities in key wildlife habitats in consultation with CPW.• Minimize the number, length, and footprint of oil and gas development roads• Use existing roads where possible• Combine and share roads to minimize habitat fragmentation• Place roads to avoid obstructions to migratory routes for wildlife, and to avoid displacement of wildlife from public to private lands.• Maximize the use of directional drilling to minimize habitat loss/fragmentation• Maximize use of remote completion/frac operations to minimize traffic• Maximize use of remote telemetry for well monitoring to minimize traffic• Restrict oil and gas activities as practical during critical seasonal periods
Final Reclamation	<ul style="list-style-type: none">• Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements• Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife• Williams will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas.• Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.• Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.• Avoid dust suppression activities within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river where possible.

Total: 3 comment(s)