

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400238886

Date Received:

01/10/2012

PluggingBond SuretyID

19810003

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: CHEVRON USA INC

4. COGCC Operator Number: 16700

5. Address: 6001 BOLLINGER CANYON RD

City: SAN RAMON State: CA Zip: 94583

6. Contact Name: DIANE PETERSON Phone: (970)675-3842 Fax: (970)675-3800

Email: DLPE@CHEVRON.COM

7. Well Name: EMERALD Well Number: 97X

8. Unit Name (if appl): RANGELY Unit Number: COC47675X

9. Proposed Total Measured Depth: 6705

WELL LOCATION INFORMATION

10. QtrQtr: SW NE Sec: 26 Twp: 2N Rng: 103W Meridian: 6

Latitude: 40.114872 Longitude: -108.923558

Footage at Surface: 2339 feet FNL/FSL FNL 2613 feet FEL/FWL FEL

11. Field Name: RANGELY Field Number: 72370

12. Ground Elevation: 5522 13. County: RIO BLANCO

14. GPS Data:

Date of Measurement: 09/30/2011 PDOP Reading: 1.2 Instrument Operator's Name: J FLOYD

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 2553 FNL 1794 FWL 2599 FNL 1635 FWL
Bottom Hole: FNL/FSL 2599 FNL 1635 FWL
Sec: 26 Twp: 2N Rng: 103 Sec: 26 Twp: 2N Rng: 103
W W

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: 255 ft

18. Distance to nearest property line: 326 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 310 ft

20. 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.)
WEBER	WEBR			

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 EMERALD LEASE MAP

25. Distance to Nearest Mineral Lease Line: 325 ft 26. Total Acres in Lease: 1760

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: _____

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
SURF	12+1/4	9+5/8	36	0	2,000	789	2,000	0
1ST	8+3/4	7+0/8	23	0	6,148	707	6,148	0

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

33. Comments CONDUCTOR PIPE NOT IN THE DRILLING PLAN EMERALD 97X AND EMERALD 98X (TWO WELL LOCATION) FORM 2A WAS SUBMITTED 12/6/2011 DOC #400229154

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: DIANE L PETERSON

Title: REGULATORY SPECIALIST Date: 1/10/2012 Email: DLPE@CHEVRON.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: 3/30/2012

API NUMBER
05 103 11913 00

Permit Number: _____ Expiration Date: 3/29/2014

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.

1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

2) THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1 MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1 MILE IS 000 FEET DEEP.

Attachment Check List

Att Doc Num	Name
2537973	EXCEPTION LOC REQUEST
400238886	FORM 2 SUBMITTED
400238887	WELL LOCATION PLAT
400238895	DEVIATED DRILLING PLAN
400238899	DRILLING PLAN
400238905	H2S CONTINGENCY PLAN
400238963	LEASE MAP
400238964	DIRECTIONAL DATA
400238978	FED. DRILLING PERMIT
400238979	SURFACE PLAN

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD/pub. comments waived. Final Comprehensive Review Status--passed.	3/28/2012 9:17:40 AM
Permit	oper. submitted copies of exc. loc. waiver letters to offset min. interest owners with verification of undeliverable address or unable to forward; no responses submitted. confirmed with Hank Szymanski with Lakewood BLM that this well on Chevron's Plan of Development for 2012 for Rangeley and has fed. drlg. permit. offset mineral leases are BLM.	3/26/2012 1:59:02 PM
Permit	on hold: need waiver ltr. from offset min. lease holder. loc. 300' from unit boundary; exception loc. ltr. req.	1/23/2012 7:30:53 AM
Permit	question on dist. to nearest well and near. min. lease.	1/13/2012 10:32:50 AM
Permit	Operator input plugging bond and QtrQtr. This form has passed completeness.	1/10/2012 9:16:12 AM
Permit	Returned to draft. Missing plugging bond. Incorrect QtrQtr.	1/10/2012 8:35:07 AM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	CHEVRON WILL EMPLOY DUST SUPPRESSION TECHNIQUES OF FRESH WATER. UTILIZE EXISTING LEASE ROADS TO MINIMIZE ANY NEW SURFACE DISTURBANCE. ALL NEW ACCESS ROADS WILL BE CROWNED AND DITCHED ACCORDING TO BLM MANUAL SECTION 9113. THE TOPSOIL WILL BE SEGREGATED AND STORED SEPARATELY FOR THE SUBSURFACE MATERIALS.
Site Specific	TWO WELLS ARE PLANNED FOR THIS WELL SITE. THIS SITE IS LOCATED OFF EXISTING LEASE ROADS. THIS WELL SITE IS A LEVEL AREA TO MINIMIZE DIRT WORK. THIS WELL SITE IS NOT IN ANY RIPARIAN AREA, FLOODPLAIN, AND IS NOT SUBJECT TO EROSION. IT IS NOT A VISUALLY SENSITIVE AREA.
Material Handling and Spill Prevention	ALL FLUIDS WILL BE STORED IN APPROPRIATE CONTAINERS AND IN SECONDARY CONTAINMENT SYSTEMS ENGINEERED TO CONTAIN 150 PERCENT OF THE LARGEST VESSEL VOLUME. CHEVRON HAS AN ANNUALLY UPDATED ENGINEER CERTIFIED FULL FIELD SPCC PLAN IN ACCORDANCE WITH THE FEDERAL REQUIREMENTS OF 40 CFR PART 112
Drilling/Completion Operations	CLOSED LOOP DRILLING SYSTEM
Storm Water/Erosion Control	STORM WATER PLANS AND EROSION CONTROL METHODS WILL BE USED TO ENSURE SITE STABILIZATION AND TO ENSURE ADEQUATE ENVIRONMENTAL SAFEGUARDS ARE IN PLACE TO PREVENT ANY STORM WATER RUNOFF. INSPECTION WILL BE DOCUMENTED AND FILED IN THE RANGELY FIELD OFFICE. THE CHEVRON RANGELY FIELD HAS A ANNUALLY REVIEWED FIELD WIDE STORMWATER MANAGEMENT PLAN.
Wildlife	POWERLINE DESIGN TO MINIMIZE RAPTOR ELECTROCUTION RISK. THERE WILL BE NO NEW SURFACE WORK FROM APRIL 15-TO JULY 15 TO ALLOW FOR PRAIRIE DOG REPRODUCTIVE PERIOD.
General Housekeeping	THE WELL SITE WILL BE MAINTAINED IN A SANITARY CONDITION AT ALL TIMES AND ALL WASTE MATERIALS SHALL BE DIPOSED OF PROMPTLY AT APPROPRIATE WASTE DISPOSAL SITES.

Total: 7 comment(s)