

Policy on Requirements for Permits to Drill in Areas with
Designated Common Sources of Supply

The following table lists common source of supply formations and their designated areas:

Area	Formations
Paradox Basin	Ismay and Desert Creek
San Juan Basin	Pt Lookout, Menefee, Cliff House
Hugoton Embayment	Lansing, Kansas City
Uintah/Piceance Basins	Mancos A, Mancos B, Castlegate, Emery, Morapos
Uintah/Piceance Basins	Wasatch "A", "B", "D", "F", "G"
Piceance Basin	Ohio Creek, Williams Fork, Cameo Sands, Cameo Coals
Raton Basin	Raton, Vermejo
Spindle Field	Sussex, Shannon
Wattenberg Gas Spaced Area	Codell, Carlisle, Niobrara, Fort Hays

A Permit to Drill a well in one of the above specified areas and to complete in any of the formations listed for that area shall be considered a permit to complete in any or all of the formations listed as a common source of supply. Therefore, if a well is completed in one of the formations listed and another completion is desired by the operator, it shall not require a Permit to Drill for a recompletion, it shall be considered ongoing operations with only the submission of the required completion paperwork required.

If a well is to be completed in a formation that is a common source of supply and there is an existing well completed in the same common source of supply on the wellsite or less than the designated well setback specified by order or Rule 318 (a) or (b) it shall be considered an exception location. The operator shall submit a Permit to Drill with an exception location request and any waivers or consents that may be necessary if there is any encroachment or if the ownership interest is not common in the wells.