

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



DE ET OE ES

Document Number:

1714993

Plugging Bond Surety

20080005

APPLICATION FOR PERMIT TO:

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

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____SINGLE ZONE ☒ MULTIPLE ZONE ☐ COMMINGLE ZONE ☐Refiling ☐Sidetrack ☐

3. Name of Operator: RED MESA HOLDINGS/O&G LLC

4. COGCC Operator Number: 10254

5. Address: 5619 DTC PARKWAY - STE 800

City: GREENWOOD State: CO Zip: 80111
VILLAGE

6. Contact Name: RICHLARSON Phone: (970)588-3302 Fax: (970)588-3562

Email: _____

7. Well Name: COMPTON Well Number: 3

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 3500

WELL LOCATION INFORMATION

10. QtrQtr: NWSE Sec: 21 Twp: 33N Rng: 12W Meridian: N

Latitude: 37.089600 Longitude: -108.153620

Footage at Surface: 2596 FNL/FSL 2083 FEL/FWL
FSL FEL

11. Field Name: RED MESA Field Number: 72890

12. Ground Elevation: 6574 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 05/27/2009 PDOP Reading: 2.0 Instrument Operator's Name: GENE REININGER

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

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

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: 340

18. Distance to nearest property line: 41 19. Distance to nearest well permitted/completed in the same formation: 618

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.)
DAKOTA	DKTA			

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 Bon ☐ \$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):
S/2NE/4 NW/4SE/4 SEC. 21, T-33-N, R-12-W

25. Distance to Nearest Mineral Lease Line: _____ 608 _____ 26. Total Acres in Lease: _____ 120 _____

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 27 or 28 are yes, is this location in a sensitive area (Rule 903)? ☐ Yes ☐ No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: ☒ Offsite ☐ Onsite

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	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	17+1/2	13+3/8	48	200	70	200	0
1ST	11	8+5/8	24	1,500	250	1,500	0
2ND	7+7/8	5+1/2	15.5	3,500	350	3,500	0

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

33. Comments COMPTON #1 (05-067-05318) DAKOTA TO BE PLUGGED BEFORE PROD COMPTON #3.

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: Y _____ Print Name: TIM G. KELLEY _____

Title: AGENT _____ Date: 6/8/2009 _____ Email: TIM@FINNEYLAND.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: David & Neslin Director of COGCC Date: 7/24/2009

API NUMBER

05 067 09774 00

Permit Number: 20092635 _____ Expiration Date: 7/8/2010 _____

CONDITIONS OF APPROVAL, IF ANY:**Condition of Approval**

Comment	User Name	Comment Date
Agency		
CONDITIONS OF PERMIT APPROVAL: RED MESA HOLDINGS COMPTON #3 1) PROVIDE 48 HOUR NOTICE OF SPUD TO COGCC FIELD INSPECTOR LESLIE MELTON (970) 375-6419 OR LES.MELTON@STATE.CO.US 2) PROVIDE CMT COVERAGE OF INTERMEDIATE CSG FROM TD TO SURFACE. RUN AND SUBMIT TEMPERATURE SURVEY IF T/CMT DROP IS INDICATED. 3) MINIMUM OF 200 FEET OF CMT ABOVE THE SHALLOWEST HYDROCARBON BEARING ZONE BEHIND THE PRODUCTION CASING. RUN SUBMIT CBL 4) DAKOTA INTERVAL IN COMPTON #1 AND COMPTON #2 MUST BE PLUGGED BEFORE DAKOTA IN COMPTON #3 IS PRODUCED.	MARK WEEMS	07/13/2009

Attachment Check List

Att Doc Num	Name	Doc Description	Op. Check	File Size
1714993	APD ORIG & 1 COPY	LF@2072452 1714993	Y	
1783375	WELL LOCATION PLAT			
1783376	COPY OF TOPO MAP			
1783377	SURF. AGREEMENT/SURETY			
1783378	REQ FOR EXCEPT. LOCATION			
1783379	EXCEPTION LOC. WAIV.			
1783380	EXCEPTION LOC REQUEST	LF@2072459 1783380	Y	
1783381	EXCEPTION LOC WAIVERS	LF@2072461 1783381	Y	

Total Attach: 8 Files