

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



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Document Number:

2094954

Plugging Bond Surety

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 WILLOW PRODUCTION COMPANY 4. COGCC Operator Number: 81295

5. Address: P O BOX 369  
 City: IGNACIO State: CO Zip: 81137

6. Contact Name: ANGELA SIMONS Phone: (970)563-5166 Fax: (970)563-5161  
 Email: ASIMONS@RWPC.US

7. Well Name: SOUTE FC 32-8 Well Number: 7-15

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

9. Proposed Total Measured Depth: 4600

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 7 Twp: 32N Rng: 8W Meridian: N

Latitude: 37.027620 Longitude: -107.753820

Footage at Surface: 1067 FSL 1115 FEL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 7181 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 04/28/2008 PDOP Reading: 3.0 Instrument Operator's Name: SCOTT WEIBE

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  
 2424 FSL 2460 FEL 2545 FSL 2580 FEL  
 Sec: 5 Twp: 32N Rng: 8W Sec: 5 Twp: 32N Rng: 8W

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: 1584 ft

18. Distance to nearest property line: 3 mi 19. Distance to nearest well permitted/completed in the same formation: 1976 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.)
FRUITLAND COAL	FRLDC	112-190	320	E/2

21. Mineral Ownership:  Fee  State  Federal  Indian Lease #: 14-20-151-9

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):  
SEC. 5, 6, 7 & 8 T32N R8W

25. Distance to Nearest Mineral Lease Line: 2545 ft 26. Total Acres in Lease: 2560

### 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: EVAPORATION & BURIAL

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	12+1/4	8+5/8	24	500	350	500	0
1ST	7+5/8	5+1/2	17	4,600	845	4,600	0

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

33. Comments NO CONDUCTOR CASING WILL BE USED

34. Location ID: 333867

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: JAMES B. KEENER

Title: DRILLING & PROD. MGR Date: \_\_\_\_\_ Email: ASIMONS@RWPC.US

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: \_\_\_\_\_

<b>API NUMBER</b> 05 067 09665 00	Permit Number: _____ Expiration Date: _____
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**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.

**Attachment Check List**

Att Doc Num	Name	Doc Description
2094954	APD ORIGINAL	LF@2218330 2094954

Total Attach: 1 Files