

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 |
|----|----|----|----|

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 ☐

Document Number:

2094955

Plugging Bond Surety

20090057

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: JAMES B. KEENER Phone: (970)563-5163 Fax: (970)563-5161

Email: ASIMONS@RWPC.US

7. Well Name: SO UTE FC 32-8 Well Number: 7-16

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

9. Proposed Total Measured Depth: 4318

WELL LOCATION INFORMATION

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

Latitude: 37.034920 Longitude: -107.764590

Footage at Surface: 1525 FNL/FSL FNL 980 FEL/FWL FWL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 7245 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 07/24/2006 PDOP Reading: 3.0 Instrument Operator's Name: AMBROSE GARCIA/STELLA JIMMIE

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

Footage at Top of Prod Zone: FNL/FSL 1502 FNL 2360 FWL 1500 FNL 2500 FWL  
Sec: 7 Twp: 32N Rng: 8W Sec: 7 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: 6 mi

18. Distance to nearest property line: 3 mi 19. Distance to nearest well permitted/completed in the same formation: 1520 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                           | W/2                                  |

21. Mineral Ownership: ☐ Fee ☐ State ☐ Federal ☒ Indian Lease #: 14-20-151-09

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 6, 5, 7 & 8 T32N R08W

25. Distance to Nearest Mineral Lease Line: 980 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+7/8        | 5+1/2          | 17              | 4,318         | 805          | 4,318         | 0          |

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

33. Comments NO CHANGES HAVE BEEN MADE TO ORIGINAL APD – NO CONDUCTOR CASING WILL BE USED.

34. Location ID: 333895

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: 1/27/2010 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: David S. Neslin Director of COGCC Date: 2/26/2010

|                                      |   |
|--------------------------------------|---|
| <b>API NUMBER</b><br>05 067 09420 00 | Permit Number: _____<br>Expiration Date: <u>2/25/2011</u> |
|--------------------------------------|---|

**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      |
|-------------|-----------------------|----------------------|
| 1857097     | SELECTED ITEMS REPORT | LF@2395471 1857097   |
| 2094955     | APD ORIGINAL          | LF@2218329 2094955   |
| 400032906   | FORM 2 SUBMITTED      | LF@2394784 400032906 |

Total Attach: 3 Files