

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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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:

2094953

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: ANGELA SIMONS Phone: (970)563-5166 Fax: (970)563-5161

Email: ASIMONS@RWPC.US

7. Well Name: SOUTE FC 32-8 Well Number: 5-13

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

9. Proposed Total Measured Depth: 4054

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 5 Twp: 32N Rng: 8W Meridian: N

Latitude: 37.042810 Longitude: -107.743710

Footage at Surface: 1439 FNL/FSL FSL 1814 FEL/FWL FWL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 6967 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 05/29/2008 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 316 FSL 2511 FEL/FWL FWL Bottom Hole: FNL/FSL 200 FSL 2583 FEL/FWL 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: 1056 ft

18. Distance to nearest property line: 2 mi 19. Distance to nearest well permitted/completed in the same formation: 2088 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 #: 14-20-151-9

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

25. Distance to Nearest Mineral Lease Line: 200 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	4,054	745	4,054	0

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

33. Comments NO CONDUCTOR CASING WILL BE USED

34. Location ID: 333831

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. Nashin Director of COGCC Date: 2/26/2010

API NUMBER

05 067 09664 00

Permit Number: _____ Expiration Date: 2/25/2011

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
1857101	SELECTED ITEMS REPORT	LF@2395979 1857101
2094953	APD ORIGINAL	LF@2218331 2094953
400032841	FORM 2 SUBMITTED	LF@2395059 400032841

Total Attach: 3 Files