

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:

2096160

Plugging Bond Surety

3. Name of Operator: RED WILLOW PRODUCTION COMPANY 4. COGCC Operator Number: 812955. Address: P O BOX 369City: IGNACIO State: CO Zip: 811376. Contact Name: JAMES B. KEENER Phone: (970)563-5163 Fax: (970)563-5161Email: JKEENER@RWPC.US7. Well Name: NORTH CARACCAS 32-4 Well Number: 16D-1

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

9. Proposed Total Measured Depth: 8080

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 21 Twp: 32N Rng: 4W Meridian: NLatitude: 37.008350 Longitude: -107.281170Footage at Surface: 875 FNL/FSL FNL 306 FEL/FWL FEL11. Field Name: IGNACIO BLANCO Field Number: 3830012. Ground Elevation: 6128 13. County: ARCHULETA

14. GPS Data:

Date of Measurement: 05/22/2009 PDOP Reading: 3.0 Instrument Operator's Name: SCOTT WEIBE15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**Footage at Top of Prod Zone: FNL/FSL 660 FSL 1000 FEL 2300 FEL/FWL 660 FWL
Sec: 21 Twp: 32N Rng: 4W Sec: 16 Twp: 32N Rng: 4W16. Is location in a high density area? (Rule 603b)? Yes No17. Distance to the nearest building, public road, above ground utility or railroad: 850 ft18. Distance to nearest property line: 306 ft 19. Distance to nearest well permitted/completed in the same formation: 5 mi

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	112-210	640	ALL

21. Mineral Ownership: Fee State Federal Indian Lease #: 750-08-2008

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):
 NE/4NE/4 SEC. 21, SE/4 SEC. 16, T-32-N, R-4-W; SEE ATTACHED LEASE DESCRIPTION FOR TRIBAL LEASE PORTIONS

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 12

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
CONDUCTOR	15	13+3/8	48	100	50	100	
SURF	12+1/4	9+5/8	32.3	800	425	800	
1ST	8+3/4	7	23	4,083	420	4,083	
2ND	6+1/4	4+1/2	11.6	8,056			

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

33. Comments PER THE ABOVE LEASE DESCRIPTION, MINERAL WONERSHIP IS BOTH FEE AND TRIBAL.

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: _____ Print Name: JAMES B. KEENER

Title: DRLG & PROD MGR Date: 2/16/2010 Email: JKEENER@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: _____

Permit Number: _____ Expiration Date: _____

API NUMBER

05

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
2096160	APD ORIGINAL	LF@2421538 2096160
2096162	WELL LOCATION PLAT	LF@2421539 2096162
2096163	LEGAL/LEASE DESC	LF@2421540 2096163
2096164	SURFACE AGRMT/SURETY	LF@2421541 2096164
2096165	DEVIATED DRILLING PLAN	LF@2421542 2096165
2096166	FED. DRILLING PERMIT	LF@2421543 2096166
2096167	SURFACE PLAN	LF@2421544 2096167

Total Attach: 7 Files