

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:
2585478
Plugging Bond Surety
20030033

3. Name of Operator: BP AMERICA PRODUCTION COMPANY 4. COGCC Operator Number: 10000

5. Address: 501 WESTLAKE PARK BLVD
City: HOUSTON State: TX Zip: 77079

6. Contact Name: SUSAN FOLK Phone: (970)335-3828 Fax: (970)335-3837
Email: SUSAN.FOLK@BP.COM

7. Well Name: SO. UTE 32-09; 06-02 Well Number: 2

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

9. Proposed Total Measured Depth: 2974

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 6 Twp: 32N Rng: 9W Meridian: N
Latitude: 37.051600 Longitude: -107.873130

Footage at Surface: 531 FNL/FSL FNL 870 FEL/FWL FWL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 6039.6 13. County: LA PLATA

14. GPS Data:

Date of Measurement: 03/19/2008 PDOP Reading: 2.2 Instrument Operator's Name: JACOB BENSON

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

Footage at Top of Prod Zone: FNL/FSL 1094 FNL 1090 FWL 1094 FNL 1090 FWL
Bottom Hole: FNL/FSL 1094 FNL 1090 FWL
Sec: 6 Twp: 32N Rng: 9W Sec: 6 Twp: 32N Rng: 9W

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: 512 ft

18. Distance to nearest property line: 438 ft 19. Distance to nearest well permitted/completed in the same formation: 2419 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 | 112-205 | 320 | W/2 |

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):
 W/2NW/4 SEC 6, T32N, R9W PLUS ADDITIONAL.

25. Distance to Nearest Mineral Lease Line: 226 ft 26. Total Acres in Lease: 640

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: RECYCLE/REUSE

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 | 14+1/2 | 10+3/4 | 40.5 | 464 | 385 | 464 | 0 |
| 1ST | 9+7/8 | 7+5/8 | 26.4 | 2,301 | 293 | 2,301 | 0 |
| 1ST LINER | 6+3/4 | 5+1/2 | 18 | 2,974 | 112 | 2,974 | |

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

33. Comments **THERE HAVE BEEN NO CHANGES IN THE SURFACE LOCATION OR LAYOUT OF THIS WELL. LOCATION CONSTRUCTED UNDER ORIGINAL APD. WAIVER TO THE 30 DAY NOTICE (RULE 305) & WAIVER TO CONSULTATON (RULE 306) IN ATTACHED SURFACE USE AGREEMENT WHICH IS STILL VALID. NO CONDUCTOR CASING WILL BE USED.**

34. Location ID: 307027

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: SUSAN FOLK

Title: PERMITS Date: 12/28/2009 Email: SUSAN.FOLK@BP.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 S. Neslin Director of COGCC Date: 2/26/2010

| | | |
|--------------------------------------|----------------------|-----------------------------------|
| API NUMBER 05 067 09641 00 | Permit Number: _____ | Expiration Date: <u>2/25/2012</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.

1) Provide 48 hour notice of spud to COGCC field inspector Leslie Melton (970) 375-6419 or les.melton@state.co.us 2) Provide cement coverage of production casing from TD to surface. Verify cement coverage with Cement Bond Log. 3) Run and submit Directional Survey from TD to kick-off point 4) The operator shall comply with Rule 321, and it shall be the operator's responsibility to ensure that the well bore complies with setback requirements in Commission orders and/or rules prior to producing the well. 5) Sample and test two closest water wells within 1/2 mile swath of the directional wellbore intercepting Fruitland Coal (includes pathway from top to bottom of pay). 6) Operators are required to obtain a bottom hole pressure utilizing a bottom hole gauge after a minimum 48 hour shut-in period following completion and prior to sales 7) Comply with all applicable provisions of Order 112-205

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|-----------------------|----------------------|
| 1857090 | SELECTED ITEMS REPORT | LF@2219351 1857090 |
| 2585478 | APD ORIGINAL | LF@2206236 2585478 |
| 2585479 | SURFACE AGRMT/SURETY | LF@2206237 2585479 |
| 400025475 | FORM 2 SUBMITTED | LF@2211685 400025475 |

Total Attach: 4 Files