

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:

1698296

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: JKEENER@RWPC.US

7. Well Name: NORTH CARACCAS 32-4 Well Number: 16D-2

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

9. Proposed Total Measured Depth: 7523

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 21 Twp: 32N Rng: 4W Meridian: N

Latitude: 37.008350 Longitude: -107.280860

Footage at Surface: 876 FNL/FSL FNL 216 FEL/FWL FEL

11. Field Name: IGNACIO BLANCO Field Number: 38300

12. Ground Elevation: 6128 13. County: ARCHULETA

14. GPS Data:

Date of Measurement: 05/22/2009 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 1300 FSL 760 FEL 760 FEL/FWL 1600 FEL 760
Sec: 16 Twp: 32N Rng: 4W Sec: 16 Twp: 32N Rng: 4W

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: 850 ft

18. Distance to nearest property line: 216 ft 19. Distance to nearest well permitted/completed in the same formation: 6 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 #: 750082008

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):
SEE ATTACHED LEASE DESCRIPTION

25. Distance to Nearest Mineral Lease Line: 760 ft 26. Total Acres in Lease: 12288

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	0
SURF	12+1/4	9+5/8	32.3	800	425	800	0
1ST	8+3/4	7	23	4,281		4,281	0
2ND	6+1/4	4+1/2	11.6	7,523			

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

33. Comments _____

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: DRILLING Date: 4/22/2010 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: David S. Neslin Director of COGCC Date: 5/11/2010

API NUMBER 05 007 06291 00	Permit Number: _____	Expiration Date: <u>5/10/2012</u>
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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.

Provide 48 hour notice of spud to COGCC field inspector Leslie Melton (970) 375-6419 or les.melton@state.co.us

Attachment Check List

Att Doc Num	Name	Doc Description
1698296	APD ORIGINAL	LF@2461353 1698296
1698297	WELL LOCATION PLAT	LF@2461354 1698297
1698299	CONST. LAYOUT DRAWINGS	LF@2461355 1698299
1698300	ACCESS ROAD MAP	LF@2461356 1698300
1698301	LOCATION PICTURES	LF@2461317 1698301
1698302	LEGAL/LEASE DESCRIPTION	LF@2461357 1698302
1698303	DEVIATED DRILLING PLAN	LF@2461358 1698303
1698304	SURFACE AGRMT/SURETY	LF@2461359 1698304

Total Attach: 8 Files